



28TH

ANNUAL REPORT 2011-12

Ruchi Infrastructure Limited

RUCHI INFRASTRUCTURE LIMITED

ANNUAL REPORT 2011-2012

Board of Directors

Dinesh Shahra
Naveen Gupta
Dinesh Khandelwal
Kanta Prasad Mandhana
Navamani Murugan
Sajeve Deora
Vijay Kumar Jain

Company Secretary

Ashish Mehta

Auditors

Ashok Khasgiwala & Co.,
Chartered Accountants

Cost Auditors

K.G. Goyal & Co.,
Cost Accountants

Bankers

Axis Bank Limited
ICICI Bank Limited
Corporation Bank

Registrar & Share Transfer Agent

Sarthak Global Limited
170/10, Film Colony,
R.N.T. Marg,
Indore - 452 001.

Registered Office

615, Tulsiani Chambers, Nariman Point,
Mumbai - 400 021.

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FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Notice

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the members of Ruchi Infrastructure Limited will be held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Tuesday, September 25, 2012 at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Profit & Loss Account for the year ended March 31, 2012 together with the reports of the Directors and Auditors thereon.
2. To declare dividend on Preference Shares and Equity Shares.
3. To appoint a Director in place of Mr. Sajeve Deora, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vijay Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Registered Office:

Ruchi Infrastructure Limited

615, Tulsiani Chambers, Nariman Point,
Mumbai - 400021.
August 14, 2012

By order of the Board of Directors

Ashish Mehta
Company Secretary

NOTES:

1. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member of the Company. The proxy form duly completed and signed should be deposited at the registered office of the Company not less than 48 hours before the time fixed for the meeting.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 22, 2012 to Tuesday, September 25, 2012 (both days inclusive) to ascertain the entitlement of dividend declared, if any.
3. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
4. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
5. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturday between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting.
6. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the management to keep the information ready at the meeting.
7. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the Company has during the year ended March 31, 2012, transferred the unpaid or unclaimed dividend for the financial year 2003-04 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Unpaid / un-claimed dividend for the financial year 2004-05 is to be transferred to the IEPF during November, 2012. Members who have not claimed / encashed such dividend are requested to do the needful.
8. The Securities and Exchange Board of India (SEBI) has vide circular ref. no. MRD/DoP/Cir-05/2009 May 20, 2009 mandated Permanent Account Number (PAN) requirement for transfer of shares in physical form. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents.
9. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company provides the facility of payment of dividend through ECS. Members desirous of availing this facility are requested to provide their Bank Mandate particulars to the Registrar and Share Transfer Agent to the Company.
10. Members are requested to actively participate in the 'go green' initiative and to provide their e-mail ids to the Registrar and Share Transfer Agent of the Company for the purpose of receipt of Annual Reports and other communication in electronic form.

Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited Statement of accounts of the Company for the year ended March 31, 2012.

FINANCIAL RESULTS:

	2011-2012 (₹ in crore)	2010-2011 (₹ in crore)
Total Revenue	2,964.27	1,752.63
Profit before depreciation and tax	39.40	49.39
Depreciation	26.00	26.18
Profit before extraordinary item and tax	13.40	23.21
Extraordinary Item	—	(1.16)
Profit before taxation	13.40	24.37
Provision for taxation	3.50	4.20
Provision for tax for earlier years	0.65	(0.17)
Profit after taxation	9.25	20.34
Balance brought forward from previous year	27.56	22.94
Amount available for appropriation	36.81	43.28
APPROPRIATION		
General Reserve	4.00	10.00
Proposed dividend – Preference	3.28	3.28
– Equity	1.23	1.64
Tax on dividend	0.73	0.80
Balance as at end of the year	27.57	27.56
	36.81	43.28

DIVIDEND:

Your directors recommend dividend on 54,60,613, 6% Non Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each amounting to ₹ 3.28 crore.

Your directors also recommend dividend of 6% (₹ 0.06 per share on face value of ₹ 1/-) on equity capital of ₹ 20.52 crore for the year under review as against 8% (₹ 0.08 per share on face value of ₹ 1/-) for the previous year. The total cash outgo on account of equity and preference dividend and tax thereon amounts to ₹ 5.24 crore as against ₹ 5.72 crore in the previous year.

OPERATIONS:

During the year under review, the total revenue of your Company increased to ₹ 2,964.27 crore from ₹ 1,752.63 crore in the previous year, recording a growth of over 69%. The Profit before depreciation and tax decreased to ₹ 39.40 crore from ₹ 49.39 crore in the previous year, primarily due to higher cost of raw materials and unfavourable foreign exchange fluctuations. Profit after tax of ₹ 9.25 crore was recorded during the year as against ₹ 20.34 crore in the previous year.

FUTURE OUTLOOK:

The existing infrastructure for storage facilities for edible oils, petroleum, liquid bulk chemicals etc., has the propensity to scale up in the long run. The long term potential for growth in this sector is, therefore, promising and the demand for infrastructural requirements is likely to grow in future.

Keeping in view the demand for liquid storage at port based areas, your Company is examining the possibilities of expanding capacities at existing locations and is exploring new locations to cater to the growing requirements.

The demand for quality warehouses has been high. The business of good quality warehousing for agri-commodities has a good future. Having established ourselves as one of the major players of quality warehousing in Madhya Pradesh, we are examining the possibility of further extension and diversification of services.

According to the industry estimates, the consumption of edible oil is expected to increase from the current level of approximately 17 Million MT to over 21 Million MT by the year 2015. Due to lower domestic supply, the import of edible oil will rise to meet the demand-supply gap, offering good business opportunities for the edible oil refinery of the Company.

REDEMPTION OF FOREIGN CURRENCY CONVERTIBLE BONDS:

During the year, the Company has duly redeemed all outstanding Foreign Currency Convertible Bonds (FCCBs) on due date in accordance with the terms and conditions of issue of such FCCBs.

As on March 31, 2012, there was no bond / securities issued by the Company having convertibility option.

DIRECTORS:

Mr. Sajeve Deora and Mr. Vijay Kumar Jain retire by rotation in accordance with the provisions of Articles of Association of the Company and being eligible, offer themselves for re-appointment.

SUBSIDIARY COMPANY:

The Company has complied with the conditions of General Circular No. 2 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India and availed exemption from compliance of Section 212 of the Companies Act, 1956. Hence, the annual accounts of the subsidiary companies, directors and auditors reports thereon, do not form part of the Annual Report of the Company.

CORPORATE GOVERNANCE:

The Company has in practice a comprehensive system of corporate governance. A separate Report on Corporate Governance forms part of the Annual Report. A certificate of the Company's Statutory Auditors regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT:

As stipulated under Section 217 (2AA) of the Companies Act, 1956, your directors subscribed to the "Directors' Responsibility Statement" and confirm as under:

- (i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) that the Directors had selected appropriate accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011-2012 and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors have prepared the accounts for the financial year ended March 31, 2012 on a 'going concern' basis.

PARTICULARS OF EMPLOYEES:

There are no employees, particulars of which are required to be furnished pursuant to Section 217 (2A) of the Companies Act, 1956, read with the rules there under.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

Information required under Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure 'A' forming part of this Report.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public during the year under review.

AUDITORS:

The Statutory Auditors M/s. Ashok Khasgiwala & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

M/s K. G. Goyal & Co., Cost Accountants (Regn. No. 00017/07/2008) of Jaipur have been appointed to conduct audit of the Cost Accounting records of the Company for the year 2012-13 vide Central Government's Order No. 52/26/CAB/2010 dated January 24, 2012.

ACKNOWLEDGMENT:

Your directors place on record their gratitude for the valued support and assistance extended to the Company by the Shareholders, Banks, Financial Institutions and Government Authorities and look forward to their continued support. Your directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 14, 2012

Dinesh Shahra
Director

ANNEXURE 'A' TO DIRECTORS' REPORT

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2012.

I. CONSERVATION OF ENERGY:

The Company regularly monitors the consumption of energy and had taken effective steps to conserve energy in its manufacturing processes.

(A) Power and Fuel Consumption:	2011-2012	2010-2011
1 Electricity		
(a) Purchased:		
Units	1,09,63,011	1,06,40,935
Total Amount (₹)	4,54,39,458	4,47,71,010
Rate/Unit (₹)	4.14	4.21
(b) Own Generation:		
Through Diesel Generator		
Unit (KWH)	6,43,103	5,09,543
Units per Ltr. of Diesel Oil	3.54	3.46
Cost/Unit (₹)	12.23	11.64
2 Fuel		
(a) Husk:		
Purchased (MT)	26,095	24,688
Total Amount (₹)	6,99,72,371	6,92,81,172
Average Rate (₹)	2,681	2,806
(b) Diesel:		
Purchased (Litre)	1,31,130	2,50,327
Total Amount (₹)	56,79,991	1,00,91,029
Average Rate (₹)	43.32	40.31
(B) Consumption per unit of production:		
Electricity (Units)	51.45	52.44
Husk (MT)	0.12	0.12
Diesel (Ltrs)	0.81	0.69

II TECHNOLOGY ABSORPTION:

A. Research & Development

- I. Product shelf life monitoring through Rancimat instrument.
- II. Installation of standby VFDs for existing pump motors to reduce the down time of 1000 TPD in all aspects of mechanical, electrical and instrumentation.
- III. Installation of High speed small pack machines (50 & 100 ml) for Vanaspati packing with laminated film to increase the production capacities.

B. Benefits derived as a result of R&D

- I. Increase in Shelf life of finished product from 6 months to 9 months.
- II. Reduction in down time and increased productivity
- III. Vanaspati small packs productivity increased from 5 MT to 10 MT per day.

C. Future Plan of Action

- I. Planning for complete automation of Vanaspati packing section and Re engineering of existing set up, for better productivity.
- II. Installation of Candle filter for autoclave to improve quality and reduce man power.
- III. Packing activities in Multi locations to be converted to single location with fully automated working.
- IV. Synchronization of Diesel Generators to Grid supply to avoid stoppage of production during power change over.

III. FOREIGN EXCHANGE EARNING & OUTGO:

	2011-2012	2010-2011
(a) Foreign Exchange Earning (₹ in crore)	12.93	31.88
(b) Foreign Exchange Outgo (₹ in crore)	610.08	533.25

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 14, 2012

Dinesh Shahra
Director

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company is primarily engaged in the businesses of storage infrastructure viz (a) storage facilities for handling bulk storage of liquid commodities such as edible oils, petroleum products, liquid chemicals etc and (b) agricultural warehousing facilities for storing commodities such as, wheat, cotton, soybean etc., infrastructure development, refining of edible oils and manufacture of vanaspati.

In view of the growing integration of Indian economy with the global economy, the volumes of external trade have been showing an uptrend. The demand for bulk liquid storage handling facilities, more particularly in port based areas, has been rising.

Agricultural marketing has assumed increasing importance. Keeping in view the focus of the Indian Government on the rural economy and the farm sector, the demand for storage facilities in rural areas is also increasing. Connectivity of rural and urban areas enhances the demand for quality storage infrastructure for better aggregation, supply chain and consumption with low wastages and costs, offering better value for consumers. The availability of good storage facilities in the rural areas facilitate better quality retention and consequently better sales realization of products for the farming community, apart from enabling funding needs. Thus the storage infrastructure facilities have vast potential to cater to the growing needs of various stakeholders.

The domestic edible oil consumption has been steadily growing and is estimated to be around 17 million MT with a per capita consumption of approx 13 kg (2011-2012) and the supply growth has been primarily lower due to relative stagnancy in the domestic oil seed output. In view of the demand- supply gap, around 53% of the domestic edible oil consumption is met by imports. Owing to the growing demand- supply gap in edible oil, the volumes of import of edible oil have gone up from 5.4 Million MT (2006-07) to 9.04 Million MT (2011-2012) over the last six years. During the year under review, the international economic and political situations coupled with monetary conditions have influenced domestic business sentiments. However, higher cost of imported raw materials due to the export duty regime changes by the Government of Indonesia relating to the palm segment and unfavourable foreign exchange fluctuations impacted the performance of our port based edible oil refinery units and profits during the year.

INDUSTRY OUTLOOK

Keeping in view the rural development and need for storage infrastructural needs to bring in efficiencies in the commodity value chain and linkage between the points of production and consumption with minimal wastage, the Government has accorded priority in framing appropriate policies and providing support mechanism for developmental activities in this regard. Also, the increasing volumes of global trade entail a strong demand for growing storage infrastructure needs, more particularly at the port based areas, for commodities such as petroleum products, edible oil, liquid chemicals etc. The long term potential for growth in this sector is, therefore, promising and the demand for storage infrastructural requirements is likely to grow in future.

The per capita edible oil consumption in India is low with reference to global average and also to comparable economies. Also, considering the very basic needs to cater to the varying cooking styles/patterns in India, large population, better disposable income etc, the demand for edible oil is expected to increase in future. Thus the size and the steady growth of the edible oil industry in India offer great potential for the company to proactively adopt strategies to sustain leadership position in the Industry. According to the industry estimates, the consumption of edible oil is expected to increase from the current level of approximately 17 Million MT to over 21 Million MT by the year 2015. Due to lower domestic supply, the import of edible oil will rise to meet the demand-supply gap.

Pursuant to the various representations made by the industry associations to protect the domestic refinery industry (including the associated dependent sectors) against the adverse impact on account of export duty regime changes by the Government of Indonesia relating to the palm segment and to promote domestic value addition, the Government of India positively responded by making appropriate changes in the import duty structure in July 2012 for import of refined palm products to have a level playing field for the domestic industry and thus the industry is hopeful of better performance in the coming years. The industry desires that the Government would continue to take appropriate counter measures proactively to encourage domestic refining industry and domestic value addition.

BUSINESS STRATEGY

The demand for storage facilities at port based locations for storage of edible oils, petroleum products, liquid bulk chemicals etc., has been growing. Your Company has storage infrastructure facilities in six port locations, strategically placed to cater to all major states in India. Further your Company also has storage terminals in five inland locations. Our storage facilities are well connected to the railways to enable long distance supply and the port based facilities are integrated with ports to facilitate transportation by pipelines. Keeping in view good demand for liquid storage facilities at port based areas, your

Company is examining the possibilities of expanding the capacities at the existing locations and /or exploring in new locations to cater to the growing requirements.

Having established ourselves as one of the major players in offering state of the art agri warehousing storage facilities in Madhya Pradesh, we are also examining the possibility of further extension into other states and diversification into value added services to deepen and widen our business areas and presence to strengthen our leadership position.

The state of the art production facility of your Company for refining of edible oils and manufacture of vanaspati is located at Kakinada in the state of Andhra Pradesh. Your Company has a significant market share in the states of Andhra Pradesh, Orissa and Chhatisgarh for Edible Oils and Vanaspati. Your company has created a robust organizational structure to evolve appropriate response mechanisms closer to ground realities and faster to the consumer needs, in line with the emerging business needs and trends.

RISKS AND CONCERNS

In the edible oil business, the Company has exposures to commodity and currency fluctuations on its major raw materials, a significant portion of which is imported. The Company will continue to adopt proactive hedging strategies and utilize appropriate hedging mechanisms and instruments, on an ongoing basis.

Government policies play an important role in the business of your Company. However, the policies announced by the Government have been progressive and are expected to remain so in future considering various factors including the infrastructural needs, demand-supply gap, inflation, economic growth and equitable view towards various stakeholders.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company continues to recognize the importance of risk management. Systems have been put in place at all levels to ensure optimum usage of resources and to minimize risks across all activities undertaken by the Company. The internal control systems are designed to ensure the safety of all assets of the Company and to ensure that all transactions are carried out as per the documented policies, guidelines and procedures. The management reviews the potential risk factors on an ongoing basis and appropriate measures are taken to mitigate the risks. Your Company has successfully implemented the FIVE-S Workplace Management System in its state of the arts facility for refining of edible oils and manufacture of vanaspati is located at Kakinada in Andhra Pradesh.

ENERGY CONSERVATION

Average rate of Fuel (Husk and Diesel) was low during the year in the manufacturing unit of the Company located at Kakinada in Andhra Pradesh.

FINANCIAL REVIEW AND ANALYSIS

		(₹ in Crore)
	2011-2012	2010-2011
Sales & Services	2,964.27	1,752.63
Operating Profit (PBDIT)	39.40	49.39
Depreciation	26.00	26.18
Profit before tax & extraordinary items	13.40	23.21
Extra Ordinary Items	–	(1.16)
Profit before tax	13.40	24.37
Provision for tax (current/earlier year)	4.15	4.03
Profit after tax	9.25	20.34

REVENUE AND PROFIT

The sales and services increased to ₹2,964.27 Crores from ₹1,752.63 Crores in the previous year, recording a growth of over 69%. Sales of edible oils division grew by 74% to ₹2,920.70 Crores as compared to ₹1,679.90 Crores in 2010-2011. Revenue of infrastructure division grew by 6% to ₹40.50 Crores as compared to ₹37.88 Crores in 2010-2011. In view of intense competition and challenging business environment, the Operating Profit has been recorded at ₹39.40 Crores against ₹49.39 Crores in previous year. The profit after tax is recorded at ₹9.25 Crores in comparison to ₹20.34 Crores for the previous year.

SEGMENT PERFORMANCE

The various segments identified by your Company are Oils (Crude Oils, Refined Oils and Vanaspati), Infrastructure (Storage, Agri Warehousing and Wind Energy). The detailed Segment-wise Performance is given in Note 40 under the Notes Forming Integral Part of Financial Statements of the Company.

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Ruchi Infrastructure Ltd. (RIL) continues to raise standards of corporate governance to keep in pace with the maturing corporate environment. The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving stakeholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

2. BOARD OF DIRECTORS

The Board of Directors monitors Company performance, approves and reviews policies/strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting to ensure that the long-term objectives of maximising profit and enhancing stakeholder value are met with.

(a) Composition and size of the Board

The Board of RIL as on March 31, 2012 consists of seven Non-Executive Directors, out of which, three are Independent Directors.

Mr. Sajeve Deora and Mr. Vijay Kumar Jain are liable to retire by rotation in terms of provisions of Section 256 of the Companies Act, 1956.

Mr. Sajeve Deora, being eligible, offers himself for re-appointment. He was born in 1959 and is B. Com. and FCA. He is a practicing Chartered Accountants having expertise in financial re-constructions, acquisitions, mergers and corporate restructuring. He is also on the Board of following public limited Companies:

- Ruchi Soya Industries Limited
- Vippy Industries Limited
- Integrated Capital Services limited
- Jai Mata Glass Limited
- Sun Link Limited
- BIL Continental Limited

Mr. Vijay Kumar Jain, being eligible, offers himself for re-appointment. He was born in 1957 and is B.Sc. and DBM. He is an executive director of an associate Company and is looking after the matters related to imports, exports and commercial activities of the group. He is on the Board of following public limited Companies:

- Ruchi Soya Industries Limited
- Evershine Oleochem Limited
- Ruchi Worldwide Limited
- Uttaranchal Biofuels Limited

(b) Board procedures

The Board of Directors met seven times during the year on April 1, 2011, May 11, 2011, June 22, 2011, August 9, 2011, August 27, 2011, November 14, 2011 and February 9, 2012. The gap between any two meetings did not exceed four months, as mandated in Clause 49 of the Listing Agreement. The dates of the meetings were generally decided in advance.

(c) Attendance record of Directors

Name of Directors	Category	Board Meetings attended	Whether Attended last AGM	No. of other Boards in which he is Member or (Chairman)	No. of other Committees in which he is Member or (Chairman)
Mr. Dinesh Shahra	Promoter	7	Yes	3 (0)	0 (0)
	Non-Executive				
Mr. Naveen Gupta	Non-Executive	1	No	2(0)	0 (0)
Mr. Dinesh Khandelwal	Non-Executive	6	Yes	0 (0)	0 (0)
Mr. Kanta Prasad Mandhana	Independent	7	Yes	0 (0)	0 (0)
	Non-Executive				
Mr. Navamani Murugan	Independent	3	Yes	2 (0)	0 (0)
	Non-Executive				
Mr. Sajeve Deora	Non-Executive	4	No	6 (0)	6 (4)
	Independent				
Mr. Vijay Kumar Jain	Non-Executive	0	No	4 (0)	1 (0)
	Independent				

Private Limited and Section 25 Companies, if any, where the Directors of the Company are Directors, have been excluded for the above purpose. Further, as per the Listing Agreement, only Audit Committee and Shareholders Grievance Committee are considered for the purpose of Committee positions.

(d) Remuneration of Directors

Non-Executive Directors' Compensation:

During the financial year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors.

The following table shows the amount of sitting fee paid to Non-Executive Directors for attending meetings of board of directors and committee thereof held during the financial year 2011-2012 and their shareholding as on March 31, 2012:

Name of Director	Sitting Fees (₹)	No. & % of shares held on March 31, 2012
Mr. Dinesh Shahra	8,000	10,000 0.00%*
Mr. Naveen Gupta	2,000	— —
Mr. Dinesh Khandelwal	12,000	100 0.00%*
Mr. Kanta Prasad Mandhana	16,000	— —
Mr. Navamani Murugan	12,000	— —
Mr. Sajeve Deora	8,000	— —
Mr. Vijay Kumar Jain	—	500 0.00%*

* Less than 0.005%

(e) RIL Code of Conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and Senior Management, who have affirmed the compliance thereof for the period ended March 31, 2012. The Code has been posted on the website of the Company.

3. AUDIT COMMITTEE

The objective of the Audit Committee is to keep a vigil on the Management's financial reporting process with a view to ensure timely and transparent disclosure in the financial statements.

The terms of reference of the Committee are extensive and include all the requirements as mandated in clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956. The role of the Committee includes overseeing and monitoring the financial reporting system within the Company and considering/re-viewing un-audited and audited financial results, as may be applicable, for the relevant quarters and year before being adopted by the Board. The Committee also focused its attention on topics such as review of internal audit reports, legal compliance reporting system, presentation of segment-wise reporting, review of internal control systems, major accounting policies and practices, compliance with accounting standards and risk management. The Committee also continued to advice the management on areas where greater internal audit focus was needed and on new areas to be taken up for audit purpose.

a) Constitution and Composition

The Audit Committee consists of three Non-Executive Directors namely Mr. Kanta Prasad Mandhana, Mr. Dinesh Khandelwal and Mr. Navamani Murugan. Mr. Kanta Prasad Mandhana, the Chairman of the Committee is an Independent Director who is a qualified Chartered Accountant by profession. Two out of the three Non-Executive Directors are Independent. Statutory Auditor and General Manager (Company Accounts & Taxation) are invited by the Audit Committee to be present at the meetings of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

b) Meetings and Attendance

The Audit Committee met five times during the year on May 11, 2011, August 9, 2011, August 27, 2011, November 14, 2011 and February 9, 2012. The meetings were scheduled in advance. Mr. Kanta Prasad Mandhana attended all the Meetings. Mr. Dinesh Khandelwal and Mr. Navamani Murugan attended four and three meetings respectively. In addition to the Members of the Audit Committee, these meetings were attended by Statutory Auditor and General Manager (Company Accounts & Taxation).

4. INVESTORS GRIEVANCE COMMITTEE

The Committee has the mandate to look into the shareholders and investors' requests on matters relating to transfer of shares and dematerialization of shares. The term of reference of the Committee also includes attending to complaints of non-receipt of Annual Report, non-receipt of dividend etc. In addition, the Committee also looks into matters which can facilitate better investor services and relations. Keeping these objectives in mind the Board of Directors of RIL constituted the "Investors Grievance Committee" of the Directors, which comprises Mr. Dinesh Khandelwal, Chairman, Mr. Kanta Prasad Mandhana and Mr. Dinesh Shahra. Mr. Ashish Mehta has been nominated as the Compliance Officer to ensure the due compliance of SEBI requirements and to look into shareholders' grievances on a day-to-day basis and to liaise with SEBI in the matter of investors' complaints.

During the period under review, committee members met to discuss and review reports on investors queries, complaints regarding transfer, dividend, Annual Reports etc. and the status of investors services rendered. Share transfers as approved by the Committee are notified to the Board at regular intervals and are taken on record by the Board at their meetings. The Committee met four times during the year on April 8, 2011, July 8, 2011, October 10, 2011 and January 10, 2012. Chairman along with the Committee members attended all the four meetings.

During the financial year 2011-2012, the Company duly resolved to the satisfaction of the shareholders, the complaints received for transfer of shares, non-receipt of Balance Sheet, non-receipt of dividend, etc. No complaint was pending for more than 30 days as on March 31, 2012.

5. MANAGEMENT

(a) Management Discussion and Analysis

This is given as a separate chapter in this Annual Report.

(b) Disclosures

- i. *Transactions with related parties:* The Company has not entered into any transaction of material nature with related parties that may have any potential conflict with the interest of the Company.
- ii. *Compliance by the Company:* The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during last three years. No penalties, strictures have been imposed on the Company by any Stock Exchange or SEBI or any other authorities relating to capital markets.
- iii. *Risk Management:* The Board of Directors regularly review the risk management strategy of the Company to ensure the effectiveness of risk management policy and procedures.

6. MEANS OF COMMUNICATION

The quarterly and half-yearly un-audited financial statements prepared in accordance with the Accounting Standards laid down by the Institute of Chartered Accountants of India are generally published in Free Press Journal & Navashakti. The Shareholders can visit the Company's website www.ruchiinfrastructure.com for important Corporate Announcements and Board Meeting Information. The website also contains financial and shareholding information of the Company. Besides being placed on the website, all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges.

7. GENERAL SHAREHOLDER INFORMATION

(a) General Body Meetings

- i. The last three Annual General Meetings of the Company were held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018. The dates and time of holding the said AGMs and particulars of Special Resolutions passed thereat are as under:

AGM	Date	Time	Special Resolutions, if any
25th	September 30, 2009	12.30 P.M.	None
26th	September 30, 2010	12.30 P.M.	Increase in the limit of Inter-corporate loans and investments as prescribed in section 372A of the Companies Act, 1956
27th	September 30, 2011	1.00 P.M.	None

II. POSTAL BALLOT

Approval of shareholders was obtained through the means of postal ballot for filling up the casual vacancy in the office of Statutory Auditors of the Company for the financial year 2010-2011, caused due to resignation of Statutory Auditors. The postal ballot process was conducted, as provided under the provisions mentioned under Section 192A of the Companies (Amendment) Act, 2000. Mr. Prashant D. Diwan, a Company Secretary in whole-time practice was appointed as scrutinizer to conduct the postal ballot voting process. The results of postal ballot were declared on August 1, 2011 and were also posted on the website of the Company.

(b) Annual General Meeting

Date : September 25, 2012

Time : 12.30 P.M.

Venue : Sunville Deluxe Pavilion, Sunville Building,
9, Dr. Annie Besant Road, Worli,
Mumbai - 400 018.

(c) Financial Calendar of the Company

Adoption of quarterly result within 45 days from the end of quarter.

Book Closure Date – Saturday, September 22, 2012 to Tuesday, September 25, 2012 (both days inclusive)

Dividend Payment Date – on or before October 24, 2012.

(d) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company confirms that it has paid the requisite annual listing fees due to such Stock Exchanges for the year 2012-2013.

(e) Stock Code

Stock Exchange	Stock Code	ISIN Code	Security Listed
Bombay Stock Exchange Limited	509020	INE413B01023	Equity Shares
National Stock Exchange of India Limited	RUCHINFRA	INE413B01023	Equity Shares

(f) Market Price Data

The monthly high and low quotations of shares traded at the Bombay Stock Exchange Limited during the financial year 2011-2012 are given as under:

Period	Bombay Stock Exchange	
	High (₹)	Low (₹)
April, 2011	28.30	21.25
May, 2011	24.85	20.00
June, 2011	24.00	18.00
July, 2011	21.50	18.05
August, 2011	19.35	14.00
September, 2011	20.45	15.70
October, 2011	25.40	18.50
November, 2011	25.00	15.75
December, 2011	18.00	12.50
January, 2012	19.40	14.01
February, 2012	20.40	15.60
March, 2012	17.40	13.60

(g) Stock Price Performance - RIL vis-a vis BSE SENSEX

Performance of stock prices of the Company during the financial year 2011-2012 vis-a vis BSE SENSEX is given below:



(h) Registrar and Share Transfer Agents

Sarthak Global Limited
170/10, R.N.T. Marg, Film Colony, Indore - 452 001.
Email: investors@sarthakglobal.com

(i) Share Transfer System

Shares lodged in physical form with the Company/its Registrar and Share Transfer Agent are processed and returned, duly transferred within 30 days normally, except in cases where litigation is involved.

In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee at the depository participant(s) through which electronic debit/credit of the accounts are involved.

(j) Shareholding Pattern and Distribution of Shareholding

i. Shareholding pattern as on March 31, 2012:

Category of Shareholder	Total No. of Shares	% of Shareholding
(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP		
(1) Indian		
(a) Individuals/Hindu Undivided Family	5,19,18,581	25.30
(b) Bodies Corporate	5,41,60,274	26.39
Sub-Total	10,60,78,855	51.69
(2) Foreign	—	—
Sub-Total	—	—
Total Shareholding of Promoter and Promoter Group	10,60,78,855	51.69
(B) PUBLIC SHAREHOLDING		
(1) Institutions		
(a) Foreign Institutional Investors	2,65,50,195	12.93
Sub-Total	2,65,50,195	12.93
(2) Non-institutions		
(a) Bodies Corporate	6,28,24,775	30.61
(b) Individual Shareholders holding nominal share capital up to ₹ 1 lac	68,14,688	3.32
(c) Individual Shareholders holding nominal share capital in excess of ₹ 1 lac	19,09,481	0.93
(d) Clearing Members	10,61,948	0.52
Sub-Total	7,26,10,892	35.38
Total Public Shareholding	9,91,61,087	48.31
TOTAL (A)+(B)	20,52,39,942	100.00
(C) SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	—	—
GRAND TOTAL (A)+(B)+(C)	20,52,39,942	100.00

ii. Distribution of shareholding as on March 31, 2012:

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 2500	8,110	92.88	32,53,168	1.58
2501 – 5000	301	3.45	11,56,022	0.56
5001 – 10000	141	1.61	10,57,137	0.52
10001 – 20000	66	0.75	9,16,196	0.45
20001 – 30000	28	0.32	7,10,621	0.35
30001 – 40000	5	0.06	1,70,278	0.08
40001 – 50000	5	0.06	2,21,995	0.11
50001 – 100000	21	0.24	14,44,664	0.70
100001 & Above	55	0.63	19,63,09,861	95.65
TOTAL	8,732	100.00	20,52,39,942	100.00

(k) Dematerialisation of Shares and Liquidity

The shares of the Company are compulsorily traded in the dematerialised form and are available for trading under both the Depository Systems in India-NSDL and CDSL. As on March 31, 2012, 14,64,79,742 equity shares of the Company were in dematerialised form.

(l) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

During the year, the Company has duly redeemed all outstanding Foreign Currency Convertible Bonds (FCCBs) on due date in accordance with the terms and conditions of issue of such FCCBs.

As on March 31, 2012, there was no bond / securities issued by the Company having convertibility option.

(m) Plant Locations of the Company

Ruchi Infrastructure Limited,
Beach Road, Dummulpet,
Kakinada,
Andhra Pradesh - 533 008.

Ruchi Infrastructure Limited,
Village Sejwaya,
Ghatabhillod, District Dhar,
Madhya Pradesh - 454 773.

(n) Address for Communication

The shareholders may address their communications, queries, suggestions and grievances to:

The Company Secretary & Compliance Officer
Ruchi Infrastructure Limited
615, Tulsiani Chambers, Nariman Point,
Mumbai - 400 021.

Tel.No: (022) 22824851/66560600, Fax No: (022) 22023160

e-mail: ashish_mehta@ruchigroup.com

The shareholders may also e-mail their queries, suggestions and grievances at 'ruchiinfrasecretarial@ruchigroup.com

(o) Certificates by Director and General Manager (Corporate Accounts and Taxation)

The Board of Directors has received certificate issued by the Director and General Manager (Corporate Accounts and Taxation) as envisaged under Clause 49(V) of the Listing Agreement.

(p) Report on Corporate Governance

This chapter, read together with the information given in the chapter entitled as 'Management Discussion and Analysis Report', constitutes a detailed compliance report on Corporate Governance during 2011-2012. This report is annexed to the Directors' Report for the year 2011-2012 in terms of Clause 49 of the Listing Agreement.

(q) Auditor's certificate on Corporate Governance

The Company has obtained the Certificate from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with the Stock Exchanges. This Certificate will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

(r) Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, we affirm that the Board Members and Senior Management personnel of the Company have confirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2012.

For Ruchi Infrastructure Limited

Place : Mumbai
Date : August 14, 2012

Dinesh Shahra
Director

CERTIFICATE

To the Members of

RUCHI INFRASTRUCTURE LIMITED

We have examined the compliance of conditions of Corporate Governance by Ruchi Infrastructure Limited for the year ended March 31, 2012 as stipulated in Clause 49 of the Standard Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As informed to us, the records relating to investors grievances pending against the Company, if any is maintained by the Registrars of the Company, who have certified that as at March 31, 2012, no grievances were unattended/pending for redressal.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.

Place : Mumbai
Date : August 14, 2012

CA Ashok Khasgiwala
Partner
Membership No. 70288

Auditors' Report

To,
The Members of
RUCHI INFRASTRUCTURE LIMITED

1. We have audited the attached Balance Sheet of Ruchi Infrastructure Limited as at March 31, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 (as amended), issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are prepared in compliance with the Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India;
 - i. in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2012;
 - ii. in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.
(Firm Reg. No. 0743C)

CA Ashok Khasgiwala
Partner
M.No. : 70288

Place : Mumbai
Date : August 14, 2012

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date.

- i. In respect of its Fixed Assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As per the information given to us, the fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
 - c. During the year, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of Inventories:
 - a. The Inventories have been physically verified by the management. In our opinion the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii.
 - a. According to the information and explanations given to us, the Company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(b), iii(c) and iii(d) of the Order are not applicable to the company.
 - b. According to the information and explanations given to us, the Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(f) and iii(g) of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system in respect of these areas.
- v.
 - a. According to the information and explanations given to us, we are of the opinion that the particulars of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of the rupees five lakhs in respect of each party during the year, have been made at prices which appear reasonable having regard to prevailing market prices at the relevant time.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from public to which the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of accounts and records in respect of manufacturing of vegetable refined oils and wind power generation maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules 2011 prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix.
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. There were no arrears, as at March 31, 2012 for a period of more than six months from the date they became payable.
 - b) According to the records of the company and information and explanation given to us, the disputed statutory dues including provident fund, sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited with appropriate authorities are as under:

Name of the Statute	Nature of dispute	Amount Involved (₹)	Period to which amount relates	Forum where dispute is pending
Central Excise & Service Tax	Excise Duty	14,89,019	2004-05	CESTAT, Bangalore
Central Excise & Service Tax	Excise Duty	5,42,045	2004-05	High Court (A.P)
The Sales Tax Act	Sales Tax	36,48,855	2005-06	Deputy Commissioner (Appeal) Vizag
The Sales Tax Act	Sales Tax	33,51,405	2002-03 & 2003-04	Sales Tax Appellate Tribunal, Vizag
The Sales Tax Act	Sales Tax	6,91,53,119	2002-03	High Court (A.P)
The Sales Tax Act	Sales Tax	3,55,32,882	2001-02 & 2002-03	High Court Chennai
The Sales Tax Act	Sales Tax	41,65,896	2009-10	Deputy Commissioner (Appeal)
The Sales Tax Act	Sales Tax	17,82,958	2007-08 & 2008-09	Addl Commissioner of Commercial Tax, Cuttack
The Sales Tax Act	Sales Tax	58,30,901	2003-04	Dy Commissioner of Commercial Tax, Kanpur
The Sales Tax Act	Entry Tax	3,54,273	2008-09 & 2009-10	Additional Comm of Commercial Taxes, Indore
The Income Tax Act	Income Tax	55,61,878	2006-07	For Rectification with Dy Commissioner
The Income Tax Act	Income Tax	29,31,553	2008-09	CIT (Appeals) Mumbai
The Income Tax Act	Income Tax	2,84,621	2009-10	CIT (Appeals) Mumbai
The Income Tax Act	Income Tax	81,568	2007-08	CIT (Appeals) Mumbai
Customs Act	Customs Duty	41,31,222	2002-03	High Court (A.P)
Customs Act	Customs Duty	51,94,647	2006-07	CESTAT, Bangalore
Customs Act	Customs Duty	1,20,228	2005-06	CESTAT, Bangalore
Customs Act	Customs Duty	2,31,747	2005-06	CESTAT, Bangalore
Customs Act	Customs Duty	17,06,061	2004-05	CESTAT, Bangalore
Customs Act	Customs Duty	1,14,04,956	2004-05	Dy Comm of Customs, Kakinada
Customs Act	Customs Duty	2,11,90,804	2001-02	High Court, Kerala

- x. The company has no accumulated losses as at March 31, 2012. The company has not incurred cash losses during the year under audit and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture/bond holders.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us, and the representations made by the management, we are of the opinion that the company has not given any guarantee for loan taken by others from any bank or financial institution.
- xvi. In our opinion and according to the information and explanations given to us, the term loan raised during the year have been applied for the purpose it is raised.
- xvii. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that funds raised on short term basis have not been utilised for long term purposes.
- xviii. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act.
- xix. According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- xx. The Company has not raised money by public issues during the year.
- xxi. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

For **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.
(Firm Reg. No. 0743C)

CA Ashok Khasgiwala
Partner

Place : Mumbai
Date : August 14, 2012

M.No. : 70288

Balance Sheet

AS AT MARCH 31, 2012

(Figures in ₹)

	Note	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	75,13,01,242	75,13,01,242
(b) Reserves and surplus	2	161,21,90,630	157,20,62,794
		236,34,91,872	232,33,64,036
Non-current liabilities			
(a) Long-term borrowings	3	133,69,78,279	63,66,16,012
(b) Deferred tax liabilities (Net)	4	1,81,20,664	4,95,55,553
(c) Long-term provisions	5	23,94,641	4,87,989
		135,74,93,584	68,66,59,554
Current liabilities			
(a) Short-term borrowings	6	194,49,62,410	118,85,09,729
(b) Trade payables	7	296,39,05,678	366,72,50,740
(c) Other current liabilities	8	28,79,23,482	102,41,80,674
(d) Short-term provisions	9	5,28,51,433	5,87,07,192
		524,96,43,003	593,86,48,335
TOTAL		897,06,28,459	894,86,71,925
II. ASSETS			
Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		228,99,19,379	240,95,29,305
(ii) Intangible assets		1,28,800	2,14,667
(iii) Capital work-in-progress		4,42,58,955	3,16,16,839
		233,43,07,134	244,13,60,811
(b) Non-current investments	11	109,27,50,402	107,16,24,401
(c) Long-term loans and advances	12	8,55,12,304	10,38,21,094
(d) Other non-current assets	13	2,99,65,821	79,95,098
		354,25,35,661	362,48,01,404
Current assets			
(a) Current Investments	14	1,47,77,283	—
(b) Inventories	15	160,85,23,478	230,88,08,930
(c) Trade receivables	16	136,69,96,587	112,57,05,828
(d) Cash and Bank Balances	17	211,19,42,123	138,34,55,256
(e) Short-term loans and advances	18	26,00,00,982	49,40,43,287
(f) Other current assets	19	6,58,52,345	1,18,57,220
		542,80,92,798	532,38,70,521
TOTAL		897,06,28,459	894,86,71,925

Accompanying Notes forming integral part of the financial statements

1 to 53

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director
Mumbai, August 14, 2012

Statement of Profit & Loss

FOR THE YEAR ENDED MARCH 31, 2012

	Note	For the year 2011-2012	(Figures in ₹) For the Year 2010-2011
REVENUE			
I. Revenue from operations (Gross)	20	2968,83,53,522	1756,19,02,250
Less : Excise duty		4,56,40,120	3,56,38,469
Net revenue from operations		2964,27,13,402	1752,62,63,781
II. Other income	21	27,26,02,723	13,89,07,025
III. Total Revenue (I + II)		2991,53,16,125	1766,51,70,806
IV. EXPENSES			
Cost of materials consumed	22	1324,52,00,194	1019,01,44,229
Purchases of stock-in-trade	23	1476,88,35,270	605,07,19,484
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(6,04,88,817)	(16,96,55,179)
Employee benefits expense	25	7,42,79,837	6,76,38,139
Finance costs	26	37,97,24,974	16,00,65,036
Depreciation and amortisation	10	26,00,02,691	26,18,17,005
Other expenses	27	111,37,61,935	87,23,10,364
V. Total expenses		2978,13,16,084	1743,30,39,078
VI. Profit before exceptional and extraordinary items and tax (III-V)		13,40,00,041	23,21,31,728
VII. Exceptional items		—	—
VIII. Profit before extraordinary items and tax (VI - VII)		13,40,00,041	23,21,31,728
IX. Extraordinary Items		—	1,16,14,896
X. Profit before tax (VIII + IX)		13,40,00,041	24,37,46,624
XI. Tax expense:			
Current tax		6,63,60,595	6,85,00,000
Deferred tax		(3,14,34,889)	(2,64,58,043)
For earlier years		65,55,633	(16,77,984)
XII. Profit for the Year (X- XI)		9,25,18,702	20,33,82,651
XIII. Earning per share: (Face Value of ₹1/- each)			
(1) Basic		0.27	0.81
(2) Diluted		0.27	0.76
Accompanying Notes forming integral part of the financial statements			
	1 to 53		

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

Cash Flow

CASH FLOW ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	2011-2012 ₹	2010-2011 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & Extraordinary Item	13,40,00,041	23,21,31,728
Adjustment For:		
Depreciation	26,00,02,691	26,18,17,005
Finance Cost	37,97,24,974	10,08,11,303
Interest Received	(26,12,96,461)	(12,07,48,888)
Miscellaneous Expenses written off	79,92,791	79,92,791
Dividend Income	(26,50,039)	(24,10,039)
Depreciation and amortisation adjustments	(4,42,353)	54,74,841
(Profit)/Loss on Sale of Fixed Assets	9,88,663	(21,93,787)
Foreign currency Monetary translation difference	-	(67,20,000)
Operating profit before working capital changes	51,83,20,307	47,61,54,954
Adjustment For:		
Trade and other receivables	(8,43,74,472)	(30,34,72,714)
Inventories	70,02,85,452	(80,23,59,840)
Trade and Other Payables	(64,30,69,844)	102,16,17,418
	(2,71,58,864)	(8,42,15,136)
Cash Generated from Operations	49,11,61,443	39,19,39,818
Direct Taxes Paid	(6,14,40,058)	(1,72,47,288)
Net cash flow from/(used in) operating activities	42,97,21,385	37,46,92,530
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(18,52,82,462)	(4,82,87,956)
Investment in partnership firm	(3,57,77,283)	(2,83,04,651)
Sale of fixed assets	3,17,87,138	4,45,02,446
Purchase of New Investment	(1,26,001)	(20,000)
Sale of Investment	-	2,300
Interest Received	26,12,96,461	12,07,48,888
Extraordinary Income	-	1,16,14,896
Dividend Received	26,50,039	24,10,039
Redemption of bank deposit with maturity more than three months	102,31,49,380	19,26,11,289
Net cash flow from/(used in) Investing Activities	109,76,97,272	29,52,77,251
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	15,80,000
Share Premium Received	-	6,03,56,000
Proceed from long and short term Borrowing	159,08,53,784	1,26,86,990
Repayment of long and short term Borrowing	(92,97,49,655)	(64,17,65,849)
Finance Cost	(37,97,24,974)	(10,08,11,303)
Dividend and Dividend Tax Paid	(5,71,61,565)	(5,73,93,621)
Net cash flow from/(used in) financing activities	22,42,17,590	(72,53,47,783)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	175,16,36,247	(5,53,78,002)
Cash and Cash Equivalents at Beginning of the Year	13,83,61,085	19,37,39,087
Cash and Cash Equivalents at End of the Year	188,99,97,332	13,83,61,085
Bank balances not considered as cash and cash equivalent	22,19,44,791	124,50,94,171
Cash and bank balances as at the year end	211,19,42,123	138,34,55,256

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Figures in ₹)

As at
March 31, 2012

As at
March 31, 2011

NOTE - 1 : SHARE CAPITAL

A Authorised

i) Equity Shares 50,00,00,000 face value of ₹ 1/- each	50,00,00,000	50,00,00,000
ii) Preference Shares 2,00,00,000 Non Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each	200,00,00,000	200,00,00,000
	250,00,00,000	250,00,00,000

B Issued,Subscribed and paid-up

i) Equity Shares 20,52,39,942 Equity Shares of ₹ 1/- each fully paid up	20,52,39,942	20,52,39,942
ii) Preference Shares 54,60,613, 6% Non Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid up	54,60,61,300	54,60,61,300
	75,13,01,242	75,13,01,242

- 1.1 The company has one class of equity shares having a par value of ₹ 1/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.
- 1.2 The preference shares have a par value of ₹100/- per share. Each preference shareholder is eligible for one vote per share only on resolutions affecting their interest. The Shareholders are entitled to dividend at the rate fixed at the time of the issue of such preference shares, which is cumulative. The preference shares are redeemable and the shareholders have a preferential right of repayment of capital over the equity shareholders in case of winding up.
- 1.3 The details of shareholders' holding more than 5% of Equity Shares in the Company:

Name of shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Bunkim Finance and Investments Pvt. Ltd.	2,89,86,321	14.12	2,89,86,321	14.12
Ruchi Soya Industries Ltd.	2,73,24,239	13.31	2,73,24,239	13.31
Mahakosh Holding Pvt. Ltd.	1,50,57,840	7.34	1,50,57,840	7.34
Mavi Investment Fund Ltd.	1,47,04,752	7.16	1,47,04,752	7.16
Jayati Finance and Investments Pvt. Ltd.	1,21,86,791	5.94	1,15,61,703	5.63

- 1.4 Aggregate number of Equity Shares allotted as fully paid up on conversion of Foreign Currency Convertible Bonds during the period of five years immediately preceeding the current year - 22,57,142 equity shares.
- 1.5 The reconciliation of the number of shares outstanding is set out below:

	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Equity Shares at the beginning of the year	20,52,39,942	20,52,39,942	20,36,59,942	20,36,59,942
Add: Shares issued during the year on conversion of FCCB	—	—	15,80,000	15,80,000
Equity Shares at the year end	20,52,39,942	20,52,39,942	20,52,39,942	20,52,39,942

- 1.6 The Company had allotted 6% Non Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each as under:
17,33,345 Shares were allotted on March 31, 2006
37,27,268 Shares were allotted on October 9, 2006

The aforesaid Preference Shares are redeemable as under:

- ₹ 34/- to be redeemed after 14 years from date of allotment
- ₹ 33/- to be redeemed after 13 years from date of allotment
- ₹ 33/- to be redeemed after 12 years from date of allotment

The Company at its sole discretion has an option to prematurely redeem the Preference Shares in full or in part after completion of three years from the date of allotment.

- 1.7 The following shareholders' hold more than 5% of Preference Shares in the Company:

Name of shareholder	As at March 31, 2012		As at March 31, 2011	
	No of Shares held	% of holding	No of Shares held	% of holding
Wellway Development Ltd.	27,96,281	51.21	27,96,281	51.21
Everlead Trading Ltd.	17,33,345	31.74	17,33,345	31.74
Blairs Finance Group Ltd.	9,30,987	17.05	9,30,987	17.05

(Figures in ₹)

	As at March 31, 2012	As at March 31, 2011
NOTE - 2 : RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	33,78,73,450	33,78,73,450
Securities Premium Account		
As per last Balance Sheet	11,79,04,024	5,75,48,024
Add : Received during the year	—	6,03,56,000
As at the Year end	11,79,04,024	11,79,04,024
Capital Subsidy		
As per last Balance Sheet	20,00,000	25,10,734
Less : Transfer to General Reserve	—	5,10,734
As at the Year end	20,00,000	20,00,000
Export Allowance Reserve		
As per last Balance Sheet	—	23,38,077
Less : Transfer to General Reserve	—	23,38,077
As at the Year end	—	—
General Reserve		
As per last Balance Sheet	83,86,40,864	73,57,92,053
Add : Transfer from Capital Subsidy	—	5,10,734
Transfer from Export Allowance Reserve	—	23,38,077
Transfer from Statement of profit and Loss	4,00,00,000	10,00,00,000
	87,86,40,864	83,86,40,864
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	27,56,44,456	22,94,23,370
Add : Surplus for the Year	9,25,18,702	20,33,82,651
As at the Year end	36,81,63,158	43,28,06,021
Less : Transfer to General Reserve	4,00,00,000	10,00,00,000
Proposed Dividend - Preference	3,27,63,678	3,27,63,678
Proposed Dividend - Equity	1,23,14,397	1,64,19,195
Tax on Proposed Dividend	73,12,791	79,78,692
As at the year end	27,57,72,292	27,56,44,456
	161,21,90,630	157,20,62,794

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 3 : LONG -TERM BORROWINGS		
a) Secured		
Term Loans		
From Axis Bank Ltd.	—	17,92,80,000
From State Bank of India	46,36,61,353	52,07,41,750
From Standard Chartered Bank PLC	81,54,13,500	—
	<u>127,90,74,853</u>	<u>70,00,21,750</u>
Less : Shown under current maturities of long term debt [Note No. 8 (a)]	13,40,38,836	25,53,48,000
	<u>114,50,36,017</u>	<u>44,46,73,750</u>
b) Unsecured		
Zero Coupon Foreign Currency Convertible Bonds	—	67,44,01,655
Deferred Sales Tax Loan	19,19,42,262	19,19,42,262
	<u>19,19,42,262</u>	<u>86,63,43,917</u>
Less : Shown under current maturities of long term debt [Note No. 8 (a)]	—	67,44,01,655
	<u>19,19,42,262</u>	<u>19,19,42,262</u>
	<u>133,69,78,279</u>	<u>63,66,16,012</u>

Note:

a) Foreign Currency Term Loan from Axis Bank Ltd.

The loan is secured by pari passu first charge on the fixed assets of the refinery at Kakinada, Andhra Pradesh. The loan is repayable in two installments of USD 4 mn each starting from quarter ending December 2010. Last installment is due in quarter ending March, 2012. Rate of interest as at year end is Nil (Previous year 2.46% p.a.).

b) Term Loan from State Bank of India

Term Loan from State Bank of India is secured by (a) exclusive first charge on the fixed assets of the Company created at various locations under the Rural Warehouses and Agri Marketing Infrastructure Facility project of the Company (b) personal guarantee of a Director of the Company.

The Term loan is repayable in 27 scattered quarterly instalments starting from quarter ending June 2009 and last instalment of ₹ 1,849 lacs is payable in December 2015. Rate of interest is 13.62% p.a. as at the year end (Previous Year 11.43% p.a.).

c) Foreign Currency Term Loan from Standard Chartered Bank PLC

Foreign Currency Term Loan from Standard Chartered Bank PLC (SCB) is to be secured by First Charge by way of hypothecation/mortgage charge on movable and immovable fixed assets at specified locations. Pari passu first charge on agri warehouses, if provided as security and first charge on escrow account opened with SCB where lease payments received will be deposited.

The Term loan is repayable in 18 scattered quarterly instalments starting from quarter ending November 2012 and last instalment in February 2017. Rate of interest as at year end is 3.95% p.a. (Previous Year Nil).

NOTE - 4 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability

Due to Depreciation difference on Fixed Assets	1,90,47,036	5,02,31,069
	<u>1,90,47,036</u>	<u>5,02,31,069</u>

Deferred Tax Assets

Disallowance U/s 43 B of the Income Tax Act	47,285	6,75,516
Disallowance U/s 40 A (7) of the Income Tax Act	8,79,087	—
	<u>9,26,372</u>	<u>6,75,516</u>

Deferred Tax Assets

Deferred Tax Liabilities (Net)	<u>1,81,20,664</u>	<u>4,95,55,553</u>
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	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 5 : LONG TERM PROVISIONS		
Provision for employee benefits	23,94,641	4,87,989
	<u>23,94,641</u>	<u>4,87,989</u>
NOTE - 6 : SHORT TERM BORROWINGS		
Unsecured		
a. From Banks - Short Term Loan (Refer Note below)	189,81,00,620	114,16,47,939
b. Intercompany deposits	4,68,61,790	4,68,61,790
	<u>194,49,62,410</u>	<u>118,85,09,729</u>
Note:		
The Company has availed Buyers Credit from Banks during the year. The outstanding amount as on March 31, 2012 of ₹ 189,81,00,620/- (Previous Year ₹ 111,95,47,939/-) is guaranteed by Banks against lien on Fixed Deposits amounting to ₹ 191,21,00,000/- (Previous Year ₹ 117,82,85,667/-).		
NOTE - 7 : TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	—	—
Due to others	296,39,05,678	366,72,50,740
(Refer Note 32)	<u>296,39,05,678</u>	<u>366,72,50,740</u>
NOTE - 8 : OTHER CURRENT LIABILITIES		
a. Current maturities of long-term debt [Refer Note 3(a), (b)]	13,40,38,836	92,97,49,655
b. Interest accrued but not due on borrowings	3,08,50,279	19,58,213
c. Unclaimed Dividends (Refer Note below)	28,36,299	8,05,266
d. Other Payables		
(i) Statutory Dues	3,27,53,363	2,41,56,405
(ii) Reimbursable expenses	19,48,719	7,07,542
(iii) Advances from Customers	4,96,59,518	2,99,71,272
(iv) Security Deposits from Customers	37,20,269	45,07,269
(v) Creditors for capital expenses (Refer Note 32)	65,28,278	1,30,97,830
(vi) Other Liabilities	2,55,87,921	1,92,27,222
	<u>28,79,23,482</u>	<u>102,41,80,674</u>
Note :		
There are no amounts due for payments to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
NOTE-9 : SHORT TERM PROVISIONS		
a. Provision for employee benefits	4,60,567	15,45,627
b. Provision - Others		
(i) For Proposed Equity Dividend	1,23,14,397	1,64,19,195
(ii) For Proposed Preference Dividend	3,27,63,678	3,27,63,678
(iii) For Corporate Tax on Dividend	73,12,791	79,78,692
	<u>5,28,51,433</u>	<u>5,87,07,192</u>

NOTE - 10 : FIXED ASSETS

(Figures in ₹)

	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	As on 01.04.2011	Additions	Deductions	As on 31.03.2012	Upto 31.03.2011	For the year	Adjustment	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
Tangible Assets										
LAND - FREE HOLD	46,63,83,140	85,75,406	2,30,03,700	45,19,54,846	—	—	—	—	45,19,54,846	46,63,83,140
LAND - LEASEHOLD	3,30,52,902	—	—	3,30,52,902	90,48,941	12,11,676	—	1,02,60,617	2,27,92,285	2,40,03,961
BUILDINGS	106,20,39,534	5,94,22,299	22,50,000	111,92,11,833	24,83,21,192	8,75,07,651	4,42,353	33,53,86,490	78,38,25,343	81,37,18,342
PLANT AND MACHINERY	238,79,50,522	9,55,31,410	2,96,75,665	245,38,06,267	139,19,77,765	15,22,90,607	2,24,03,043	152,18,65,329	93,19,40,938	99,59,72,757
FURNITURE & FIXTURES	5,75,67,401	4,05,529	—	5,79,72,930	2,12,02,582	53,81,123	—	2,65,83,705	3,13,89,225	3,63,64,819
VEHICLES	4,66,80,924	70,87,772	8,37,846	5,29,30,850	1,84,97,944	83,64,255	6,75,871	2,61,86,328	2,67,44,522	2,81,82,980
OFFICE EQUIPMENT	93,78,695	16,17,930	6,05,113	1,03,91,512	58,93,331	10,19,718	5,17,609	63,95,440	39,96,072	34,85,364
JETTY	13,16,88,796	—	—	13,16,88,796	9,02,70,854	41,41,794	—	9,44,12,648	3,72,76,148	4,14,17,942
TOTAL	419,47,41,914	17,26,40,346	5,63,72,324	431,10,09,936	178,52,12,609	25,99,16,824	2,40,38,876	202,10,90,557	228,99,19,379	240,95,29,305
Previous Year	415,26,12,124	9,39,77,042	5,18,47,252	419,47,41,914	152,74,74,690	26,18,01,672	40,63,753	178,52,12,609	240,95,29,305	—
Intangible Assets										
COMPUTER SOFTWARE	2,30,000	—	—	2,30,000	15,333	85,867	—	1,01,200	1,28,800	2,14,667
TOTAL	2,30,000	—	—	2,30,000	15,333	85,867	—	1,01,200	1,28,800	2,14,667
Previous Year	—	2,30,000	—	2,30,000	—	15,333	—	15,333	2,14,667	—
TOTAL	419,49,71,914	17,26,40,346	5,63,72,324	431,12,39,936	178,52,27,942	26,00,02,691	2,40,38,876	202,11,91,757	229,00,48,179	240,97,43,972
Previous Year	415,26,12,124	9,42,07,042	5,18,47,252	419,49,71,914	152,74,74,690	26,18,17,005	40,63,753	178,52,27,942	240,97,43,972	—

Additions to Building and Plant & Machinery include ₹ 5,34,42,701/- and ₹ 7,93,34,195/- (Previous Year deductions of ₹ 27,14,191/- and ₹ 37,97,283/-) respectively towards capitalisation of Foreign Exchange Fluctuation. Refer Note 31(c).

(Figures in ₹)

As at
March 31, 2012 As at
March 31, 2011

NOTE - 11 : NON CURRENT INVESTMENTS
A. In Equity Shares
Quoted - Non Trade Investments

12,54,675 Equity Shares of ₹ 10/- each fully paid up of National Steel & Agro Industries Ltd.	48,03,500	48,03,500
9,500 Equity Shares of ₹ 10/- each fully paid up of Ruchi Strips & Alloys Ltd.	1,11,155	1,11,155
48,35,077 Equity Shares of ₹ 2/- each fully paid up of Ruchi Soya Industries Ltd.	20,21,64,584	20,21,64,584
	20,70,79,239	20,70,79,239

Unquoted
In Subsidiary Companies (Trade Investments)

70,00,000 (Previous Year 37,77,500) Equity shares of ₹10/- each fully paid up of Peninsular Tankers Pvt. Ltd.	3,78,00,001	3,77,75,000
60,000 Equity Shares of ₹ 10/- each fully paid up of Ruchi Green Energy Pvt. Ltd.	6,00,000	6,00,000
5,000 Equity Shares of USD 1 each fully paid up of Ruchi Resources Pte. Ltd.	2,24,100	2,24,100
5,100 Equity Shares of ₹10/- each fully paid up of Mangalore Liquid Impex Pvt. Ltd.	51,000	51,000
10,000 Equity Shares of ₹10/- each fully paid up of Union Infrastructure Solutions Pvt. Ltd.	1,00,000	—

In Other than Subsidiary Companies (Non Trade Investments)

7,00,000 Equity Shares of ₹10/- each fully paid up of Ruchi Acroni Industries Ltd.	70,00,000	70,00,000
1,25,000 Equity Shares of ₹10/- each fully paid up of Ruchi Global Ltd.	12,50,000	12,50,000
29,95,000 Equity Shares of ₹10/- each fully paid up of Indian Steel Corporation Ltd.	14,97,55,000	14,97,55,000
4,08,459 Equity Shares of ₹10/- each fully paid up of Arandi Investments Pvt. Ltd.	12,88,52,310	12,88,52,310
	32,56,32,411	32,55,07,410

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
B. In Preference Shares (Non Trade Investment)		
2,00,000 6% Redeemable Preference Shares of ₹ 100/- each fully paid up of Ruchi Soya Industries Ltd.	2,00,00,000	2,00,00,000
34,50,000 6% Redeemable Preference Shares of ₹ 100/- each fully paid up of Ruchi Realty Holdings Ltd.	36,57,00,000	36,57,00,000
	38,57,00,000	38,57,00,000
C. In Government Securities		
National Savings Certificates	20,000	19,000
	20,000	19,000
D. In Partnership Firm Associate (Trade Investments)		
Capital Account of Narang & Ruchi Developers	16,83,18,752	15,33,18,752
	16,83,18,752	15,33,18,752
E. Other Investments Associate (Trade Investments)		
Capital Account of Shubhdeep Habitants LLP	60,00,000	—
	60,00,000	—
	109,27,50,402	107,16,24,401
Note:		
a. Long term investments are valued at cost unless otherwise stated		
b. Aggregate amount of Quoted Investments	20,70,79,239	20,70,79,239
Market Value of Quoted Investments	45,77,49,574	53,70,54,394
c. Aggregate amount of Unquoted Investments -	32,56,32,411	32,55,07,410
In Equity Shares	38,57,00,000	38,57,00,000
In Preference Shares	20,000	19,000
In Government Securities	16,83,18,752	15,33,18,752
In Partnership Firm	60,00,000	—
In Others		
NOTE - 12 : LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
a. Capital advances	1,12,50,000	1,26,79,957
b. Security and Other Deposits	2,80,33,907	3,40,45,188
c. Balance with Government Authorities	2,45,99,484	2,39,90,867
d. Advance Income Tax and Tax deducted at Source	2,16,28,913	3,31,05,082
(Net of Provision for taxation of ₹ 14,00,67,354/- Previous Year ₹ 21,36,96,828/-)	8,55,12,304	10,38,21,094
NOTE - 13 : OTHER NON-CURRENT ASSETS		
Unsecured, Considered Good		
a. Interest accrued on Investment	3,746	2,307
b. Unamortised Expenditure (to the extent not written off or adjusted)		
FCCB Issue Expenses	79,92,791	1,59,85,582
Less: Adjusted/Written off	79,92,791	79,92,791
	—	79,92,791
c. Foreign Currency Monetary Items Translation Difference Account [Refer Note 31(d)]	2,99,62,075	—
	2,99,65,821	79,95,098
NOTE - 14 : CURRENT INVESTMENTS		
In Associate - Trade		
a. Investment in Limited Liability Partnership (LLP)		
Balance in Current Account of Shubhdeep Habitants LLP	1,47,25,000	—
b. Investment in Partnership Firm		
Balance in Current Account of Narang & Ruchi Developers	52,283	—
	1,47,77,283	—
Note:		
a. Aggregate amount of current investments is ₹ 147,77,283/-.		
b. Current investments are valued at lower of cost or at market/fair value.		

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 15 : INVENTORIES		
(As valued and certified by the management)		
a) Raw Materials (Including Packing Material)	62,21,89,840	131,13,85,008
b) Work-in-progress	20,82,36,665	6,09,44,354
c) Finished goods	70,86,57,333	78,52,40,787
d) Stock in trade	3,03,20,672	4,34,09,886
e) Stores, Spares and Consumables	3,91,18,968	10,78,28,895
	160,85,23,478	230,88,08,930
Note: Inventories are valued at lower of cost or net realisable value, except by-products/scrap, which are valued at net realisable value.		
Broad Categories of Inventory		
Details of Work In Progress		
Oils	20,76,41,265	6,03,06,479
Soaps	5,95,400	6,37,875
	20,82,36,665	6,09,44,354
Details of Finished Goods		
Oils	55,72,21,407	64,09,79,284
Vanaspati	13,04,94,407	12,49,95,800
By Products	2,06,22,329	1,74,91,678
Soaps	3,19,190	2,59,412
Others	—	15,14,613
	70,86,57,333	78,52,40,787
Details of Stock In Trade		
Oils	3,03,20,672	4,34,09,886
	3,03,20,672	4,34,09,886
NOTE - 16 : TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	5,75,06,217	15,97,37,252
Other trade receivables	130,94,90,370	96,59,68,576
	136,69,96,587	112,57,05,828
NOTE - 17 : CASH AND BANK BALANCES		
Cash and cash equivalents		
a. Balances with Banks		
In Current Accounts	12,96,35,948	13,33,44,618
In Deposit Accounts having maturity less than 3 months [Refer b(i)]	175,75,04,331	16,23,348
b. Cash on hand	28,57,053	33,93,119
	188,99,97,332	13,83,61,085
Other Bank Balances		
In Deposit Accounts having maturity more than 3 months [Refer (a) and (b) (ii)]	18,39,50,348	121,11,11,125
In Subsidy Deposit Account [Refer (b) (iii)]	3,51,33,100	3,28,83,100
In unclaimed dividend account	28,61,343	10,99,946
	211,19,42,123	138,34,55,256
Note :		
(a) Fixed deposit having maturity more than 12 months	55,70,500	1,87,37,964
(b) Earmarked Bank Balance in Deposit Accounts		
(i) Deposit having maturity less than 3 months	175,75,04,331	16,23,348
(ii) Deposit having maturity more than 3 months	18,39,50,348	121,11,11,125
(iii) In Subsidy Deposit Account with Bank	3,51,33,100	3,28,83,100

(Figures in ₹)

As at
March 31, 2012

As at
March 31, 2011

NOTE - 18 : SHORT-TERM LOANS AND ADVANCES**Unsecured, Considered Good**

a. Intercompany deposits - To Related Parties	5,00,00,000	5,00,00,000
b. Intercompany deposits - To Others	4,92,50,000	11,24,50,000
c. Loans and Advance to Subsidiaries	31,410	—
d. Advance to Suppliers	4,67,49,904	3,96,05,495
e. Balance with Government Authorities	1,13,00,273	5,32,474
f. Loans and advances to Employees	27,75,914	15,30,008
g. Other Advances Recoverable in Cash or in kind	9,98,93,481	28,99,25,310
	<u>26,00,00,982</u>	<u>49,40,43,287</u>

NOTE - 19 : OTHER CURRENT ASSETS**Unsecured, Considered Good**

a. Interest Accrued		
(i) On Fixed Deposits with Banks	6,36,54,213	79,27,395
(ii) On Other deposits	4,46,604	4,48,911
b. Insurance claim receivable	8,60,948	34,80,914
c. Other Receivable	8,90,580	—
	<u>6,58,52,345</u>	<u>1,18,57,220</u>

NOTE - 20 : REVENUE FROM OPERATIONS

	For the year 2011-2012	For the year 2010-2011
Sales of products (Gross)	2925,84,25,222	1713,10,23,357
Less: Excise duty	<u>4,56,40,120</u>	<u>3,56,38,469</u>
	2921,27,85,102	1709,53,84,888
Sale of Services		
Processing charges	2,41,30,738	5,19,17,659
Lease Rental from storage and warehouse	33,13,26,921	30,29,08,316
Sale of Wind Power	7,44,70,641	7,60,52,918
Revenue from operations (Net)	<u>2964,27,13,402</u>	<u>1752,62,63,781</u>
Details of Sales		
Oils	2663,02,68,199	1454,93,57,323
Vanaspati	209,55,88,359	185,15,68,732
By Products	43,94,51,465	34,62,89,274
Soaps	2,26,92,926	2,33,89,875
DOC	—	15,87,87,618
Cotton	—	15,61,45,959
Others (Includes realisable waste/scrap)	2,47,84,153	98,46,107
	<u>2921,27,85,102</u>	<u>1709,53,84,888</u>

NOTE - 21 OTHER INCOME

Interest Income	26,12,96,461	12,07,48,888
Dividend Income from Long Term Investments	26,50,039	24,10,039
Share in Profit of Partnership firm	52,283	13,86,651
Profit on sale of Fixed Assets	—	21,93,787
Foreign Currency Monetary Translation Difference	—	67,20,000
Other Miscellaneous Income	86,03,940	54,47,660
	<u>27,26,02,723</u>	<u>13,89,07,025</u>

			For the year 2011-2012	For the year 2010-2011
NOTE - 22 : COST OF MATERIALS CONSUMED				
a) Raw Materials Consumed			1271,65,58,404	974,15,62,358
b) Packing Materials Consumed			52,86,41,790	44,85,81,871
Materials Consumed			1324,52,00,194	1019,01,44,229
(a) Details of Raw Materials Consumed				
Oils			1269,75,26,000	972,42,64,394
Others			1,90,32,404	1,72,97,964
(b) Details of Imported and Indigenous Materials Consumed				
	Amt in ₹	2011-2012 %	Amt in ₹	2010-2011 %
i) Raw materials				
Imported	200,74,28,680	15.79	359,53,35,762	36.91
Indigenous	1070,91,29,724	84.21	614,62,26,596	63.09
ii) Packing Materials				
Imported	11,49,620	0.22	9,04,884	0.20
Indigenous	52,74,92,170	99.78	44,76,76,987	99.80
NOTE - 23 : PURCHASES OF STOCK-IN-TRADE				
Oils			1475,63,25,622	573,46,64,954
Vanaspati			99,55,381	1,05,95,224
Soyabean DOC			—	16,49,00,000
Cotton			—	13,75,17,716
Others			25,54,267	30,41,590
			1476,88,35,270	605,07,19,484
NOTE - 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Opening Stock				
Finished goods			78,52,40,787	58,92,12,918
Work-in-progress			6,09,44,354	11,75,47,494
Stock in trade			4,34,09,886	1,08,11,954
			88,95,95,027	71,75,72,366
Less: Closing Stock				
Finished goods			70,86,57,333	78,52,40,787
Work-in-progress			20,82,36,665	6,09,44,354
Stock in trade			3,03,20,672	4,34,09,886
			94,72,14,670	88,95,95,027
Changes in inventories			(5,76,19,643)	(17,20,22,661)
Add : Variation in Excise duty on closing stock			(28,69,174)	23,67,482
			(6,04,88,817)	(16,96,55,179)
NOTE - 25 : EMPLOYEE BENEFITS EXPENSE				
Salary, Wages and Bonus			6,37,43,264	5,85,26,903
Contribution to Provident and Other Funds			53,91,720	31,14,293
Workmen & Staff Welfare expenses			51,44,853	59,96,943
			7,42,79,837	6,76,38,139

(Figures in ₹)
2010-2011

2011-2012

NOTE - 26 : FINANCE COSTS

Interest expenses	12,15,76,086	10,08,11,303
Other borrowing costs	4,88,57,256	2,13,83,446
Loss on foreign currency transactions and translation relating to borrowing	20,92,91,632	3,78,70,287
	<u>37,97,24,974</u>	<u>16,00,65,036</u>

NOTE - 27 : OTHER EXPENSES

Stores, Spares and chemical consumed	9,45,23,653	10,10,99,078
Processing charges	13,25,924	—
Packing expenses	3,00,15,666	3,90,54,002
Power and fuel	13,62,45,408	13,65,59,378
Repairs to plant and machinery	3,44,31,713	4,77,04,213
Repairs to buildings	74,90,719	56,38,654
Repairs to others	1,01,33,331	1,15,18,412
Manufacturing expenses	3,62,15,940	1,74,12,944
Rent	2,53,08,995	2,71,27,935
Rates and taxes excluding taxes on income	9,49,97,923	7,87,68,511
Bank charges and commission	4,10,576	10,12,281
Insurance	35,88,204	28,10,519
Brokerage and commission	93,70,405	86,08,723
Postage and telephone	30,79,965	38,70,203
Freight and forwarding charges (Net)	22,70,25,975	21,54,26,834
Oil handling expenses	4,66,18,417	4,76,39,856
Net loss on foreign currency transaction and translation	17,63,89,431	3,24,57,951
Premium on FCCB	10,22,06,762	4,45,70,380
Donation	2,15,263	5,39,646
Miscellaneous expenditure written off	79,92,791	79,92,791
Loss on sale of tangible fixed assets	9,88,663	—
Miscellaneous expenses	6,51,86,211	4,24,98,053
	<u>111,37,61,935</u>	<u>87,23,10,364</u>

28. Contingent Liabilities and commitments	2011-2012	2010-2011
(to the extent not provided for)		
A. Contingent liabilities :		
i) Guarantees issued by Bank	33,10,27,740	30,13,35,140
ii) Income Tax/Sales Tax/Customs Duty/ Excise Duty demands disputed in appeals.	17,86,90,638	18,28,31,307
B. Commitments :		
i) Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance)	—	11,14,127
29. Trade payables include bills payable for purchase of goods ₹241,08,15,662/- (Previous Year ₹291,04,49,897/-).		
30. a. The Company had issued Zero Coupon Foreign Currency Convertible Bonds (FCCBs) on February 5, 2007. The FCCBs had a maturity of five years and 1 day from the date of issue.		
b. The Holders of the FCCBs had a right to convert the FCCBs into Equity Shares of the Company of ₹1/- each at a conversion price of ₹39.20 per share. During the previous year the company issued 15,80,000 equity shares of ₹1/- each to FCCB holders upon exercise of conversion option, as per terms of issue.		
c. The Premium on redemption attributable to the FCCBs converted during the previous year and provided in the books of account in the earlier year amounting to ₹Nil [Previous Year ₹ 1,16,14,896/- (net of taxes)] has been reversed and credited to the Profit and Loss Account as an Extraordinary Income.		
d. Premium on FCCB (Refer Note 27) includes withholding taxes of ₹6,03,92,063/- (Previous Year ₹ Nil).		
e. The Company has redeemed the outstanding FCCBs on due date during the year as per the terms of issue of FCCBs.		
31. a. In line with the notification dated March 31, 2009, and subsequently issued on December 29, 2011 by the Ministry of Corporate Affairs amending Accounting Standard AS-11 "Effects of Changes in Foreign Exchange Rates", the Company has chosen to exercise the option under paragraph 46 A inserted in the standard by the notification.		
b. Accordingly the exchange differences on long term monetary items related to Foreign Currency Liabilities and Assets in so far as they are related to acquisition of Fixed Assets has been added/deducted from the cost of the relevant fixed assets and depreciation has been charged in the books of accounts after taking the effect of such changes.		
c. Arising from the above the Company has capitalized an amount of ₹13,27,76,896/- (Previous Year deducted an amount of ₹65,11,434/- from fixed asset) in fixed assets being the exchange differences on long term monetary items relating to the acquisition of fixed assets.		
d. In respect of exchange differences on long term monetary items related to Foreign Currency Liabilities in so far as they are not related to the acquisition of Fixed Assets, the Company has accounted the exchange differences in Foreign Currency Monetary Item Translation Difference Account and the same is amortised over the period of the loan. Accordingly, an amount of ₹10,33,175/- (Previous Year ₹ Nil) has been charged to Statement of Profit and Loss under Loss on Foreign Currency transactions and translation relating to Borrowing and the balance amount of ₹2,99,62,075/- (Previous Year ₹ Nil) has been included in Other Non Current Assets as Foreign Currency Monetary Item Translation Difference Account.		
32. The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with Interest paid / payable under this Act have not been given.		
33. In the opinion of Board of Directors, current assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.		
34. Auditors Remuneration	2011-2012	2010-2011
(Excl. Service Tax)		
(a) Statutory Audit	3,50,000	2,50,000
(b) Tax Audit	75,000	30,000
(c) Other Services	1,07,660	1,25,800
(d) Reimbursement of Expenses	16,970	4,750

35. Details of Investment in Capital Account of Partnership firm :
Narang & Ruchi Developers :

Name of the Partner	2011-2012			2010-2011		
	Balance in Capital Account	Balance in Current Account	% age of share In Profit/Loss	Balance in Capital Account	Balance in Current Account	% age of share In Profit /Loss
Ruchi Infrastructure Ltd.	16,83,18,752	52,283	70	15,33,18,752	—	70
Narang Developers Pvt. Ltd.	1,87,02,084	8,44,588	30	1,74,75,623	1,09,528	30

36. EARNING PER SHARE (EPS)

	2011-2012	2010-2011
I Basic Earning Per Share		
(a) Net Profit after tax	9,25,18,702	20,33,82,651
(b) Less : Preference Dividend including tax there on	3,80,78,766	3,80,78,766
(c) Profit available for Equity Shareholders	5,44,39,936	16,53,03,885
(d) Weighted Average Number of Equity Shares	20,52,39,942	20,50,36,490
(e) Nominal Value of Per ordinary Share	1	1
(f) Basic Earning Per Share	0.27	0.81
II Diluted Earning Per Share		
(a) Profit available for Equity Shareholders	5,44,39,936	16,53,03,885
(b) Weighted Average Number of Equity Shares	20,52,39,942	20,50,36,490
(c) Add : Dilutive Impact of FCCB's	=	1,24,14,270
(d) No. of Dilutive Equity Shares Outstanding	20,52,39,942	21,74,50,760
(e) Diluted Earning Per Share	0.27	0.76

37. a. The Company has set up Agri-warehousing and Marketing infrastructure at various locations against which company is entitled to back ended subsidy as per the Scheme of Ministry of Agriculture, Govt. of India.
- b. The eligible amount of subsidy is disbursed through NABARD directly to the financing bank, which is kept in separate account by the bank and is disbursed to the company as interest free loan. On payment of last installment of term loan or five years from the date of disbursement of first installment of term loan, whichever is later, the subsidy will be adjusted with the term loan from bank.
- c. However, as per the accounting policy adopted consistently, Company has credited the subsidy to related assets account on receipt of sanction from the competent Authority. Depreciation provided in earlier years is reversed to profit and loss account if subsidy related to assets capitalized in earlier years is sanctioned during the year. During the year depreciation of ₹4,42,353/- (Previous Year ₹22,48,749/-) has been written back and shown in other income.
- d. The amount of final subsidy of ₹3,51,33,100/- (Previous Year ₹3,28,83,100/-) directly received by the Bank and kept under lien for term loan is shown in Other Bank Balance in Note No. 17.

38. Disclosure on Financial and Derivative Instruments:

The Company uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions.

- i) Notional amounts of forward contract entered into by the company and outstanding:

Particulars	Currency	2011-2012			2010-2011		
		No. of Contracts	Amount in Foreign Currency	Amount in INR	No. of Contracts	Amount in Foreign Currency	Amount in INR
Import of Goods and Buyers Credit Availed	USD	31	8,49,32,104	438,13,03,382	17	4,79,29,114	222,33,95,787

All the above contracts are for hedging purpose and not for speculation.

ii) Foreign currency exposure which are not hedged as at year end:

2011-2012			2010-2011		
Particulars					
Currency	Payable in Foreign Currency	Amount In INR	Currency	Payable in Foreign Currency	Amount In INR
USD	1,80,54,975	92,62,20,239	USD	9,74,19,342	436,63,34,893
GBP	500	41,080	—	—	—

39. Disclosure as per AS-15 – EMPLOYEE BENEFITS

A) GRATUITY

The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carries out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 “Employee Benefits” (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in Profit and Loss Account.

	2011-2012	2010-2011
Change in obligation during the year ended March 31, 2012		
Obligation at the beginning of the year	37,70,774	29,32,751
Current Service cost	6,37,379	5,06,335
Interest Cost	3,11,089	2,41,952
Actuarial (Gains)/Losses	7,75,295	3,56,831
Benefits payments	(4,87,530)	(2,67,095)
Obligations at the end of the year	50,07,007	37,70,774
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	41,34,106	33,67,429
Expected return on plan assets	3,30,728	2,69,394
Contributions	8,21,241	6,99,664
Benefits paid	(4,87,530)	(2,67,095)
Actuarial Gains/(Losses)	62,724	64,714
Fair value of plan assets at the end of the year	48,61,269	41,34,106
Amount recognised in Balance Sheet		
Present value of defined benefit obligation at the end of the year	50,07,007	37,70,774
Fair value of plan assets at the end of the year	48,61,269	41,34,106
Net (Liability)/Asset recognized in balance sheet	(1,45,738)	3,63,332
Balance Sheet Reconciliation		
Net Liability at the beginning of the year	(3,63,332)	(4,34,678)
Expenses recognized during the year	13,30,311	7,71,010
Contributions during the year	(8,21,241)	(6,99,664)
Net (Liability)/Asset recognized in balance sheet	1,45,738	3,63,332
Amounts recognised in the profit and loss account		
Current service cost	6,37,379	5,06,335
Interest cost	3,11,089	2,41,952
Expected return on plan assets for the year	(3,30,728)	(2,69,394)
Actuarial (Gains)/Losses	7,12,571	(2,92,117)
Expenditure recognized in the profit and loss account	13,30,311	7,71,010

Actual return on plan assets

Expected return on plan assets for the year	3,30,728	2,69,394
Actuarial Gains/(Losses) on plan assets	62,724	64,714
Actual return on plan assets	3,93,452	3,34,108

Percentage of each category of plan assets to fair value of plan assets

Insurer managed funds	48,61,269	41,34,106
Actuarial assumptions		
Discount Rate Current	8.50%	8.25%
Salary escalation Current	5.00%	5.00%
Rate of return on plan assets Current	8.60%	8.00%

The Company's gratuity funds are managed by the Life Insurance Corporation of India and therefore the composition of the fund assets is not presently ascertained.

B. LEAVE ENCASHMENT

The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Account for the year in which they occur. Liability on account of Leave Encashment as at the year end ₹27,09,470/- (Previous Year ₹20,33,616/-).

NOTE - 40 : SEGMENT REPORTING

(Figures in ₹)

(a) Primary Segment- Business Segment

	Oils	Infrastructure	Others	Unallocable	Total
Net Income from Operations	2920,69,93,780	40,50,13,607	3,07,06,015	–	2964,27,13,402
Previous Year	1679,89,14,317	37,88,01,246	34,08,08,128	–	1751,85,23,691
Segment Result Before Finance Cost & Tax	54,81,18,870	8,51,55,951	58,63,982	(12,54,13,789)	51,37,25,014
Previous Year	38,17,96,276	57,80,05,54	(97,39,221)	(3,76,60,846)	39,21,96,763
Finance Cost					37,97,24,973
Previous Year					16,00,65,035
Profit Before Taxes					13,40,00,041
Previous Year					23,21,31,728
Provision for Taxes					
Current Taxes					6,63,60,595
Previous Year					6,85,00,000
Deferred Taxes					(3,14,34,889)
Previous Year					(2,64,58,043)
For earlier years					65,55,633
Previous Year					(16,77,984)
Extraordinary Income (Net of Tax)					–
Previous Year					1,16,14,896
Profit after Taxes					9,25,18,702
Previous Year					20,33,82,651
Segment Assets	346,02,71,929	196,62,83,682	1,50,52,589	238,46,78,867	782,62,87,067
Previous Year	389,21,14,054	197,92,07,048	1,38,82,341	195,87,38,997	784,39,42,440
Segment Liabilities	305,05,11,034	5,32,57,172	24,35,733	1,44,41,593	312,06,45,532
Previous Year	371,50,00,802	4,14,43,321	25,92,681	46,78,571	376,37,15,375
Segment Depreciation	5,56,48,408	18,77,36,262	63,708	1,65,54,313	26,00,02,691
Previous Year	6,01,82,949	18,99,67,237	70,789	1,15,96,030	26,18,17,005
Cost Incurred to Acquire Segment Fixed Assets	2,27,39,841	14,47,96,318	–	51,04,187	17,26,40,346
Previous Year	3,66,91,496	3,85,51,254	1,89,64,292	–	9,42,07,042
Non Cash Expenditure other than depreciation	–	–	–	–	–
Previous Year	–	–	–	–	–

	Year Ended March 31, 2012	Year Ended March 31, 2011
(b) Secondary Segment - Geographical Segment		
All operating facilities of the Company are located in India		
Domestic Revenue	2951,33,79,175	1719,96,90,481
Export Revenue	12,93,34,227	31,88,33,210
Total Revenue	2964,27,13,402	1751,85,23,691
Unallocated Segment Liabilities Exclude the following		
Long Term Borrowings	133,69,78,279	63,66,16,012
Short Term Borrowings	194,49,62,410	118,85,09,729
Other Current Liabilities	13,40,38,836	929,74,96,55
Deferred Tax Liabilities	1,81,20,664	495,55,553
Provision for Dividend	4,50,78,075	491,82,873
Corporate Tax on Dividend	73,12,791	79,78,692
Unallocated Segment Assets Exclude the following		
Non current Investments	109,27,50,402	107,16,24,401
Advance Tax & TDS	2,16,28,913	3,31,05,082
Foreign Currency Monetary Items Translation Difference Account	2,99,62,075	–

NOTE - 41: RELATED PARTY DISCLOSURE

List of Related Parties and Relationships :

- a) **Parties where control exists :**
 - Peninsular Tankers Private Limited (Subsidiary)
 - Ruchi Green Energy Private Limited (Subsidiary)
 - Ruchi Resources Pte. Limited (Subsidiary)
 - Mangalore Liquid Impex Private Limited (Subsidiary)
 - Union Infrastructure Solutions Pvt. Ltd. (Subsidiary)
 - Narang and Ruchi Developers (Associate)
 - Shubhdeep Habitants LLP (Associate)
- b) **Key Management Personnel (KMP) & their relative :**
 - Mr. Dinesh Shahra, Director
 - Mr. Kailash Shahra, Brother of Director
 - Mr. Suresh Shahra, Brother of Director
 - Mr. Santosh Shahra, Brother of Director
 - Mrs. Abha Devi Shahra, Wife of Director
 - Mr. Sarvesh Shahra, Son of Director
 - Ms. Amrita Shahra, Daughter of Director
 - Mr. Ankesh Shahra, Son of Director
 - Ms. Amisha Shahra, Daughter of Director
- c) **Entities where Key Management Personnel (KMP) & their relatives have significant influence :**
 - Aaradhya Buildtech Private Limited
 - Alison Builders & Construction Private Limited
 - Ankesh Resorts & Hotels Private Limited
 - Aparaa Buildtech Private Limited
 - Arav Construction & Developers Private Limited
 - Archer Construction & Builders Private Limited
 - Aseem Infracon Private Limited
 - Avid Constructions Private Limited

Bright Star Buildtech Private Limited
Bright Star Housing Private Limited
Deepti Housing Private Limited
Deepti Properties Private Limited
Delite Ventures Private Limited
Great Eastern Infrastructure Corporation Private Limited
Hightech Realities Private Limited
I Farm Equity Advisors Private Limited
Indivar Wellness Private Limited
Mahadeo Shahra Sukrut Trust
Mahakosh Amusement Private Limited
Mahaodeo Shahra & Sons
Mahaodeo Shahra & Sons Private Limited
Navaagat Infratech Private Limited
Navodit Infracon Private Limited
Neha Resorts & Hotels Private Limited
Neha Securities Private Limited
Nibodh Infradevelopers Private Limited
Nirvana Housing Private Limited
Nischit Intratech Private Limited
RSIL Beneficiary Trust
Ruchi Markettrade Private Limited
Ruchi Bio-fuels Private Limited
Ruchi Corporation Limited
Ruchi Multitrade Private Limited
Ruchi Realty Private Limited
Ruchi Soya Industries Limited
Sadashay Construction Private Limited
Saharsh Brokers Private Limited
Sakushal Buildtech Private Limited
Sanchit Buildtech Private Limited
Shahra Brothers Private Limited
Shahra Estate Private Limited
Shahra Sons Private Limited
Shalin Infratech Private Limited
Sharsha Infracon construction and Developers Private Limited
Shiva Foundation (Trust)
Soyumm Marketing Private Limited
Spectra Realities Private Limited
Suramya Infratech Private Limited
Vishal Warehousing Private Limited

Note: Related Party relationship is identified by the Company and is relied upon by the auditors.

Transactions	Subsidiary	Associate	KMP	KMP has significant influence	Relatives of KMP have significant influence
Purchase of Goods	-	-	-	951,17,20,827	18,71,61,500
Previous Year	-	-	-	580,50,37,088	19,38,15,798
Interest Paid	-	-	-	2,46,201	-
Previous Year	-	-	-	7,02,982	-
Processing Charged Paid	-	-	-	13,25,925	-
Previous Year	-	-	-	-	-
Service Charges Paid	96,000	-	-	-	-
Previous Year	-	-	-	-	-
Sale of Goods	-	-	-	427,76,70,210	-
Previous Year	-	-	-	205,13,29,076	-
Storage / Warehousing Charges Received	-	-	-	14,26,08,000	-
Previous Year	-	-	-	14,51,14,121	-
Dividend Received	-	-	-	26,50,039	-
Previous Year	-	-	-	24,10,039	-
Share in Profit of Partnership Firm	-	52,283	-	-	-
Previous Year	-	13,86,651	-	-	-
Advance given	31,410	-	-	-	-
Previous Year	-	-	-	-	-
Investment in Share /Partner Capital	1,00,000	2,10,00,000	-	-	-
Previous Year	-	2,83,04,651	-	-	-
Share Application Money	-	-	-	-	-
Previous Year	32,00,000	-	-	-	-
Directors Remuneration	-	-	-	-	-
Previous Year	-	-	4,94,343	-	-
Directors Sitting Fees	-	-	29,000	-	-
Previous Year	-	-	18,000	-	-
OUTSTANDING AT YEAR END					
Amount Payable at year end					
Sundry Creditors	-	-	-	10,99,65,397	-
Previous Year	-	-	-	29,29,65,587	-
Other Liabilities	13,51,917	-	-	-	-
Previous Year	-	-	-	-	-
Amount Receivable at Year end					
Advance Recoverable	31,410	-	-	-	5,00,00,000
Previous Year	-	-	-	-	7,11,61,621
Investment / Share Application Money	388,07,501	17,43,18,752	-	20,21,64,584	-
Previous Year	4,18,50,100	15,33,18,752	-	20,21,64,584	-
Balance in Current Account	-	1,47,77,283	-	-	-
Previous Year	-	-	-	-	-

42. Miscellaneous Expenses in Note 27 includes ₹Nil (Previous Year ₹56,95,943/-) bad debts written off.

	2011-2012		2010-2011	
	Value	₹ %	Value	₹ %
43. VALUE OF IMPORTED AND INDIGENOUS STORES & SPARES CONSUMED				
Imported	14,66,341	2	27,44,247	3
Indigenous	9,30,57,312	98	9,83,54,831	97
44. VALUE OF IMPORTS ON CIF BASIS				
Raw Materials	589,29,88,263		526,14,00,124	
Stores, Spares & Consumables	14,66,341		27,44,247	
Capital Goods	6,92,953		73,20,859	
45. EXPENDITURE IN FOREIGN CURRENCY				
Interest	6,97,21,751		2,81,02,491	
Premium on FCCB	10,22,06,722		4,45,70,380	
Others	5,43,913		1,97,789	
46. Dividend remitted in Foreign Currency to Non Resident Shareholders				
EQUITY SHARES	2011-2012		2010-2011	
a. Number of Non Resident Equity Shareholders	1		1	
b. Number of Equity Shares held by them	58,22,800		58,22,800	
c. (i) Amount of Dividend Paid	4,65,824		Nil	
(ii) Year to which dividend relates	2010-2011		—	
PREFERENCE SHARES				
d. Number of Non Resident Preference Shareholders	3		3	
e. Number of Preference Shares held by them	54,60,613		54,60,613	
f. (i) Amount of Dividend Paid	3,27,63,678		3,27,63,678	
(ii) Year to which dividend relates	2010-2011		2009-2010	
47. EARNING IN FOREIGN CURRENCY				
Exports of goods – calculated on FOB basis	12,93,34,277		31,88,33,210	
48. Disclosure Pursuant to Clause 32 of Listing Agreement with Stock Exchanges				
A) Loans and Advances in the nature of Advance to Subsidiary				
Name of the Company	As at		Maximum Balance Outstanding As at	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Union Infrastructure Solutions Pvt. Ltd.	31,410	—	31,410	—
B) Loans and Advances in the nature of Advance to Related Party				
Name of the Company	As at		Maximum Balance Outstanding As at	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Nirvana Housing Pvt. Ltd.	500,00,000	500,00,000	500,00,000	500,00,000
C) i) None of the parties to whom loans were given have made investment in the shares of the Company.				
ii) The above Advances fall under the category of loans and advances, which are repayable on demand and are interest-free.				
49. (a) Leases -Where Company is Lessor				
The assets given on operating leases by the Company are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs are recognized immediately in the statement of Profit and Loss. The Company has not given any premises under non cancellable operating lease.				

The aggregate amount of Operating lease income recognized in the Statement of Profit and Loss is ₹20,28,85,379/- (Previous Year ₹19,88,24,387/-).

(b) Leases - Where Company is Lessee

The Company has taken various premises under operating leases with no restrictions and are renewable / cancelable at the option of either parties. There are no sub leases. There are no restrictions imposed by lease arrangements. The company has not recognized any contingent rent as expense in the statement of profit and loss.

The aggregate amount of operating lease payments recognized in the statement of profit and loss is ₹1,01,38,576/- (Previous Year ₹86,19,456/-).

50. Proposed Dividend

The final dividend proposed for the year is as follows :

	As at March 31, 2012 ₹	As at March 31, 2011 ₹
A) On Equity Shares of ₹1/- each		
Amount of dividend proposed	1,23,14,397	1,64,19,195
Dividend Per Equity Share		
Nominal Dividend	0.06	0.08
B) On Preference Shares of ₹100/- each		
Amount of dividend proposed	3,27,63,678	3,27,63,678
Dividend per Preference Share		
Nominal Dividend	6.00	6.00

51. The Ministry of Corporate affairs, Government of India vide General Circular No 2 and 3 dated February 8, 2011 and February 21, 2011 respectively, granted a general exemption from Compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.
52. The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on March 31, 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle. Consequently, the company has re-classified previous year figures to conform to this year's classification.
53. General Company Information Significant Accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure "A".

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

Annexure 'A'

GENERAL COMPANY INFORMATION AND STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL COMPANY INFORMATION

Ruchi Infrastructure Limited is a Public Limited Company incorporated on August 28, 1984 as Columbia Leasing and Finance Limited. The Name of the Company was changed to Ruchi Infrastructure and Finance Limited on September 2, 1994 and to Ruchi Infrastructure Limited on June 14, 1995. The Company is engaged in the business of infrastructure, development and operation of Storage Tanks, Warehouses and Jetty. The Company also operates an Edible Oil Refinery. The Company is also engaged in trading in various products, goods and generation of power from wind energy. The Registered Office of the company is situated at 615, Tulsiani Chambers, Nariman Point, Mumbai - 400 021. The Company's shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The Accounts have been prepared in accordance with the historical cost convention.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known / materialized.

c) Revenue recognition

The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

d) Fixed Assets

i) Fixed Assets

Fixed assets are stated at cost of acquisition or construction, net of tax / duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation (except freehold land).

ii) Capital Expenditure

Assets under erection/installation and advance given for Capital Expenditure are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

iii) Leasehold Land

Cost of Lease hold land is amortized over the period of lease.

e) Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition / disposal, except for low value items costing ₹5,000/- or less are written off fully in the year of purchase.

f) Expenses on issue of Shares

Expenses on issue of shares are charged to profit and loss account.

g) Borrowing cost

Borrowing cost attributable to the acquisition and constructions of assets are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

h) Premium on Foreign Currency Convertible Bonds (FCCBs)

As a prudent accounting policy, premium payable on the FCCBs even though contingent upon non conversion of the FCCBs into Equity Shares, is proportionately charged to the profit and loss account on pro-rata basis over the life of the FCCBs and the corresponding amount is included in the outstanding amount of FCCBs shown under Unsecured Loans. In the event of conversion of FCCBs into Equity Shares the proportionate amount is written back on pro-rata basis.

i) Valuation of inventories

Inventories are valued at lower of cost or net realisable value, except by-product/scrap is valued at net realisable value. Cost of inventory is arrived at by using Moving Average Price Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

j) Export Incentive

The Export incentives are accounted for on accrual basis taking into account certainty of realisation and its subsequent utilisation.

k) Government Grant

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge. Government grants in the nature of promotor's contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

l) Investment

Investment are valued at cost of acquisition. In case of long term investments, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary.

Current Investments are stated at lower of cost or market / fair value.

m) Foreign currency transaction

- a) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain / loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- b) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit & Loss.
- c) In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets / liabilities.

n) Employee Benefits

(a) Post-employment benefit plans

- i) Defined Contribution Plan - Contributions to Provident Fund and Family Pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.
- ii) Defined Benefit Plan:
 - a. The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Account for the year in which they occur.
 - b. The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carries out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in Profit and Loss Account.

(b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.

o) Provision, Contingent Liabilities and Contingent Asset

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

p) Taxes on Income

Provision for Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

q) Segment Accounting

Segment Accounting Policies :-

Following accounting policies have been followed by the company for segment reporting.

- (1) The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting system. The various segments identified by the Company comprised as under:

Name of Segment	Comprised of
Oils	– Crude Oils, Refined Oils, Vanaspati
Infrastructure	– Storage, Agri Warehousing, Wind Energy
Other	– Soaps

By products related to each segment have been included in respective segment.

- (2) Segment revenue, segment results, segment assets and segment liabilities includes respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocable corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities respectively. Inter segment revenue are recognised at sale price.

r) Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

s) Cash Flow Statement

Cash Flows are reported using indirect method, whereby Profit (loss) before extraordinary items and tax is adjusted for the effect of transactions of non cash nature and any deferrals or accruals of the past or future cash receipts or payments. The Cash Flow from Operating, Investing and Financial activities of the Company are segregated based on the available information.

Auditors' Report

TO
THE BOARD OF DIRECTORS OF RUCHI INFRASTRUCTURE LIMITED

We have examined the attached Consolidated Balance Sheet of Ruchi Infrastructure Limited (the Company), its subsidiaries, associates and a firm where the Company is a partner (the Firm) (hereinafter collectively referred to as "the Group") as at March 31, 2012, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto in which are incorporated the accounts of the subsidiaries, associates and the firm audited by other auditors. These financial statements are the responsibility of the company management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conduct our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries, associates and the firm, whose financial statements reflect total assets of ₹23,45,50,219/- as at March 31, 2012 and total revenues of ₹Nil and net cash outflow of ₹4,10,333/- for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries and the Firm, is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (AS-21) Consolidated Financial Statements and Accounting Standard 23 (AS-23) Accounting for Investments in Associates in Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company, its subsidiaries, associates and the Firm, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
- (b) in the case of the Consolidated Statement of Profit & Loss, Profit of the consolidated results of operations of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For **ASHOK KHASGIWALA & CO.**
CHARTERED ACCOUNTANTS
(Firm Reg. No. 0743C)

CA Ashok Khasgiwala
Partner
M.No. : 70288

Place : Mumbai
Date : August 14, 2012

Consolidated Balance Sheet

AS AT MARCH 31, 2012

(Figures in ₹)

As at

March 31, 2011

	Note	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	75,13,01,242	75,13,01,242
(b) Reserves and surplus	2	172,78,26,754	165,10,55,033
		247,91,27,996	240,23,56,275
Non-current liabilities			
(a) Long-term borrowings	3	133,69,78,279	63,66,16,012
(b) Deferred tax liabilities (Net)	4	(140,37,964)	1,55,15,225
(c) Long-term provisions	5	23,94,641	4,87,989
		132,53,34,956	65,26,19,226
Current liabilities			
(a) Short-term borrowings	6	196,60,49,716	118,85,09,729
(b) Trade payables	7	297,42,94,526	368,53,07,170
(c) Other current liabilities	8	29,90,39,819	104,39,06,239
(d) Short-term provisions	9	5,28,51,433	5,87,07,192
		529,22,35,494	597,64,30,330
TOTAL		909,66,98,446	903,14,05,831
II. ASSETS			
Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		230,52,67,257	242,48,77,182
(ii) Intangible assets		1,28,800	2,14,667
(iii) Capital work-in-progress		4,42,58,955	3,16,16,839
		234,96,55,012	2,45,67,08,688
(b) Non-current investments	11	87,96,56,549	87,96,55,549
(c) Long-term loans and advances	12	8,94,96,076	10,86,05,954
(d) Other non-current assets	13	3,01,94,086	86,79,881
		334,90,01,723	345,36,50,072
Current assets			
(a) Inventories	14	160,85,23,478	230,88,08,930
(b) Trade receivables	15	141,23,77,287	115,78,87,528
(c) Cash and Bank Balance	16	212,22,14,484	139,39,06,522
(d) Short-term loans and advances	17	30,47,00,675	52,56,07,468
(e) Other current assets	18	23,45,17,670	15,59,68,934
		568,23,33,594	554,21,79,382
Minority Interest		6,53,63,129	3,55,76,377
TOTAL		909,66,98,446	903,14,05,831

Accompanying Notes forming integral
part of the financial statements

1 to 43

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

Statement of Consolidated Profit & Loss

FOR THE YEAR ENDED MARCH 31, 2012

	Note	For the year 2011-2012	(Figures in ₹) For the Year 2010-2011
REVENUE			
I. Revenue from operations (Gross)	19	2975,84,53,522	2067,54,55,236
Less : Excise duty		4,56,40,120	356,38,469
Net revenue from operations		2971,28,13,402	2063,98,16,767
II. Other income	20	27,27,77,992	14,55,18,444
III. Total Revenue (I + II)		2998,55,91,394	2078,53,35,211
IV. EXPENSES			
Cost of materials consumed	21	1324,52,00,194	1019,01,44,229
Purchases of stock-in-trade	22	1483,29,35,270	874,16,59,484
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(6,04,88,817)	(16,96,55,179)
Employee benefits expense	24	7,42,79,837	8,71,56,494
Finance costs	25	37,97,71,283	18,35,46,433
Depreciation and amortisation	10	26,00,02,691	27,99,21,240
Other expenses	26	111,46,46,237	124,03,64,355
V. Total expenses		2984,63,46,695	2055,31,37,056
VI. Profit before exceptional and extraordinary items and tax (III - V)		13,92,44,699	23,21,98,155
VII. Exceptional items		—	—
VIII. Profit before extraordinary items and tax (VI - VII)		13,92,44,699	23,21,98,155
IX. Extraordinary Items		—	1,16,14,896
X. Profit before tax (VIII + IX)		13,92,44,699	24,38,13,051
XI. Tax expense:			
Current tax		6,63,63,595	6,96,06,000
Deferred tax		(2,95,53,189)	(3,97,86,043)
For earlier years		64,80,943	(16,77,984)
XII. Profit for the Year (X- XI)		9,59,53,350	21,56,71,078
XIII. Minority Interest		(9,238)	60,84,394
XIV. Profit for the Year After Minority Interest (XII-XIII)		9,59,62,588	20,95,86,684
XV. Earning per share:			
(1) Basic		0.28	0.84
(2) Diluted		0.28	0.79
Accompanying Notes forming integral part of the financial statements			
	1 to 43		

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

Cash Flow

CASH FLOW STATEMENT ANNEXED TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Particulars

	2011-2012 ₹	2010-2011 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & Extraordinary Item	13,92,44,699	23,21,98,155
Adjustment For :		
Depreciation	26,00,02,691	27,99,21,240
Finance Cost	37,97,71,283	18,35,46,433
Interest Received	(26,13,01,573)	(12,07,48,888)
Miscellaneous Expenses Written Off	84,80,441	80,45,901
Dividend Income	(26,50,039)	(24,10,039)
Depreciation and amortisation adjustments	(4,42,353)	54,74,841
(Profit) \ Loss on Sale of Fixed Assets	9,88,663	21,75,67,097
Minority interest	23,60,844	(12,50,05,200)
Foreign currency Monetary translation difference	—	(67,20,000)
Operating profit before working capital changes	52,64,54,656	67,18,69,540
Adjustment For :		
Trade and other receivables	(13,33,59,308)	(31,53,77,788)
Inventories	70,02,85,452	(94,17,30,935)
Trade and Other Payables	(65,93,46,654)	102,20,68,217
	(9,24,20,509)	(23,50,40,506)
Cash Generated from Operations	43,40,34,145	43,68,29,034
Direct Taxes Paid	(6,14,40,058)	(1,72,66,113)
Net cash flow from/(used in) operating activities	37,25,94,088	41,95,62,921
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(18,52,82,462)	(8,26,09,264)
Sale of fixed assets	3,17,87,138	16,54,18,985
Purchase of New Investment	(1,000)	(5,000)
Sale of Investment	—	36,000
Interest Received	26,13,01,573	12,07,48,888
Extraordinary Income	—	1,16,14,896
Dividend Received	26,50,039	24,10,039
Redemption of bank deposit with maturity more than three months	102,31,44,610	19,25,86,059
Net cash flow from/(used in) Investing Activities	113,35,99,898	41,02,00,603
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	—	15,80,000
Share Premium Received	—	6,03,56,000
Proceed from long and short term Borrowing	161,19,41,089	1,26,86,990
Repayment of long and short term Borrowing	(92,97,49,655)	(70,95,14,736)
Finance Cost	(37,97,71,283)	(18,35,46,433)
Dividend and Dividend Tax Paid	(5,71,61,565)	(5,73,93,621)
Net cash flow from/(used in) financing activities	24,52,58,586	(87,58,31,800)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	175,14,52,572	(4,60,68,276)
Cash and Cash Equivalents at Beginning of the Year	14,87,87,121	19,48,55,397
Cash and Cash Equivalents at End of the Year	190,02,39,693	14,87,87,121
Bank balances not considered as cash and cash equivalent	22,19,74,791	124,51,19,401
Cash and bank balance as at the year end	212,22,14,484	139,39,06,522

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director

Mumbai, August 14, 2012

CONSOLIDATED NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Figures in ₹)

As at
March 31, 2012 As at
March 31, 2011

NOTE - 1 : SHARE CAPITAL

A Authorised

i) Equity Shares 50,00,00,000 face value of ₹1/- each	50,00,00,000	50,00,00,000
ii) Preference Shares 2,00,00,000 Non Convertible Cumulative Redeemable Preference Shares of ₹100/- each	200,00,00,000	200,00,00,000
	<u>250,00,00,000</u>	<u>250,00,00,000</u>

B Issued,Subscribed and paid-up

i) Equity Shares 20,52,39,942 Equity Shares of ₹1/- each fully paid up	20,52,39,942	20,52,39,942
ii) Preference Shares 54,60,613, 6% Non Convertible Cumulative Redeemable Preference Shares of ₹100/- each fully paid up	54,60,61,300	54,60,61,300
	<u>75,13,01,242</u>	<u>75,13,01,242</u>

1.1 The company has one class of equity shares having a par value of ₹1/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

1.2 The Preference Shares have a Par Value of ₹100/- per share. Each Preference Shareholder is eligible for one vote per share only on resolutions affecting their interest. The Shareholders are entitled to dividend at the rate decided at the time of the issue, which is cumulative. The shares are redeemable and the Preference Shareholders have a preference to receive proportionate capital over the equity shareholders.

1.3 The details of shareholders' holding more than 5% of Equity Shares in the Company

Name of shareholder	As at March 31, 2012		As at March 31, 2011	
	No of Shares held	% of holding	No of Shares held	% of holding
Bunkim Finance and Investments Pvt. Ltd.	2,89,86,321	14.12	2,89,86,321	14.12
Ruchi Soya Industries Ltd.	2,73,24,239	13.31	2,73,24,239	13.31
Mahakosh Holding Pvt. Ltd.	1,50,57,840	7.34	1,50,57,840	7.34
Mavi Investment Fund Ltd.	1,47,04,752	7.16	1,47,04,752	7.16
Jayati Finance and Investments Pvt. Ltd.	1,21,86,791	5.94	1,15,61,703	5.63

1.4 Aggregate number of Equity Shares allotted as fully paid up on conversion of Foreign Currency Convertible Bonds during the period of five years immediately preceeding the current year - 22,57,142 shares.

1.5 The reconciliation of the number of shares outstanding is set out below:

	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Equity Shares at the beginning of the year	20,52,39,942	20,52,39,942	20,36,59,942	20,36,59,942
Add: Shares issued during the year on conversion of FCCB	—	—	15,80,000	15,80,000
Equity Shares at the year end	20,52,39,942	20,52,39,942	20,52,39,942	20,52,39,942

1.6 The Company had allotted 6% Non Convertible Cumulative Redeemable Preference Shares of ₹100/- each as under :

17,33,345 Shares were allotted on March 31, 2006

37,27,268 Shares were allotted on October 9, 2006

The aforesaid Preference Shares are redeemable as under :

₹34/- to be redeemed after 14 years from date of allotment

₹33/- to be redeemed after 13 years from date of allotment

₹33/- to be redeemed after 12 years from date of allotment

The Company at its sole discretion has an option to prematurely redeem the preference shares in full or in part after completion of three years from the date of allotment.

1.7 The following shareholders' hold more than 5% of Preference Shares in the Company

Name of shareholder	As at March 31, 2012		As at March 31, 2011	
	No of Shares held	% of holding	No of Shares held	% of holding
Wellway Development Ltd.	27,96,281	51.21	27,96,281	51.21
Everlead Trading Ltd.	17,33,345	31.74	17,33,345	31.74
Blairs Finance Group Ltd.	9,30,987	17.05	9,30,987	17.05

(Figures in ₹)

As at
March 31, 2012

As at
March 31, 2011

NOTE - 2 : RESERVES & SURPLUS

Capital Reserve

As per last Balance Sheet	51,88,47,633	33,78,73,450
Add : Addition During the Year	3,31,99,999	18,09,74,183
As at the Year End	55,20,47,632	51,88,47,633

Securities Premium Account

As per last Balance Sheet	11,79,04,024	5,75,48,024
Add : Received during the year	—	6,03,56,000
As at the Year End	11,79,04,024	11,79,04,024

Capital Subsidy

As per last Balance Sheet	20,00,000	25,10,734
Less : Transfer to General Reserve	—	5,10,734
As at the year end	20,00,000	20,00,000

Export Allowance Reserve

As per last Balance Sheet	—	23,38,077
Less : Transfer to General Reserve	—	23,38,077
As at the year end	—	—

General Reserve

As per last Balance Sheet	83,86,40,864	73,57,92,053
Add : Transfer from Capital Subsidy	—	5,10,734
Transfer from Export Allowance Reserve	—	23,38,077
Transfer from Statement of Profit and Loss	4,00,00,000	10,00,00,000
	87,86,40,864	83,86,40,864

Surplus in Statement of Profit and Loss

As per last Balance Sheet	17,36,62,512	12,12,37,393
Add : Surplus for the Year	9,59,62,588	20,95,86,684
	26,96,25,100	33,08,24,077
Less : Transfer to General Reserve	4,00,00,000	10,00,00,000
Proposed Dividend - Preference	3,27,63,678	3,27,63,678
Proposed Dividend - Equity	1,23,14,397	1,64,19,195
Tax on Proposed Dividend	73,12,791	79,78,692
As at the year end	17,72,34,234	17,36,62,512
	172,78,26,754	165,10,55,033

NOTE - 3 : LONG -TERM BORROWINGS	(Figures in ₹)	
	As at March 31, 2012	As at March 31, 2011
a) Secured		
Term Loans		
From Axis Bank Ltd.	—	17,92,80,000
From State Bank of India	46,36,61,353	52,07,41,750
From Standard Chartered Bank PLC	81,54,13,500	—
	<u>127,90,74,853</u>	<u>70,00,21,750</u>
Less : Shown under current maturities of long term debt [Note No. 8 (a)]	13,40,38,836	25,53,48,000
	<u>114,50,36,017</u>	<u>44,46,73,750</u>
b) Unsecured		
Zero Coupon Foreign Currency Convertible Bonds	—	67,44,01,655
Deferred Sales Tax Loan	19,19,42,262	19,19,42,262
	<u>19,19,42,262</u>	<u>86,63,43,917</u>
Less : Shown under current maturities of long term debt [Note No. 8 (a)]	—	67,44,01,655
	<u>19,19,42,262</u>	<u>19,19,42,262</u>
	<u>133,69,78,279</u>	<u>63,66,16,012</u>

Note:

a) Foreign Currency Term Loan from Axis Bank Ltd.

The loan is secured by pari passu first charge on the fixed assets of the refinery at Kakinada, Andhra Pradesh. The loan is repayable in two installments of USD 4 mn each starting from quarter ending December 2010. Last installment is due in quarter ending March, 2012. Rate of interest as at year end is Nil (Precious year 2.46% p.a.).

b) Term Loan from State Bank of India

Term Loan from State Bank of India is secured by (a) exclusive first charge on the fixed assets of the Company created at various locations under the Rural Warehouses and Agri Marketing Infrastructure Facility project of the Company (b) personal guarantee of a Director of the Company.

The Term loan is repayable in 27 scattered quarterly instalments starting from quarter ending June 2009 and last instalment of ₹ 1,849/- lacs is payable in December 2015. Rate of interest is 13.62% p.a. as at the year end (Previous Year 11.43% p.a.)

c) Foreign Currency Term Loan from Standard Chartered Bank PLC

Foreign Currency Term Loan from Standard Chartered Bank PLC (SCB) is to be secured by First Charge by way of hypothecation/mortgage charge on movable and immovable fixed assets at specified locations. Pari passu first charge on agri warehouses, if provided as security and first charge on escrow account opened with SCB where lease payments received will be deposited.

The Term loan is repayable in 18 scattered quarterly instalments starting from quarter ending November 2012 and last instalment in February 2017. Rate of interest as at year end is 3.95% p.a. (Previous Year Nil).

NOTE - 4 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability

Due to Depreciation difference on Fixed Assets	1,90,47,036	5,02,31,069
	<u>1,90,47,036</u>	<u>5,02,31,069</u>

Deferred Tax Assets

Disallowance U/s 43 B of the Income Tax Act	47,285	6,75,516
Disallowance U/s 40 A (7) of the Income Tax Act	8,79,087	—
Other Timing Differences	3,21,58,628	3,40,40,328
Deferred Tax Assets	<u>3,30,85,000</u>	<u>3,47,15,844</u>
Deferred Tax Liabilities (Net)	<u>(1,40,37,964)</u>	<u>1,55,15,225</u>

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 5 : LONG TERM PROVISIONS		
Provision for employee benefits	23,94,641	4,87,989
	<u>23,94,641</u>	<u>4,87,989</u>

NOTE - 6 : SHORT TERM BORROWINGS

Unsecured		
a. From Banks - Short Term Loan (Refer Note below)	189,81,00,620	114,16,47,939
b. Intercompany Deposits	6,79,49,096	4,68,61,790
	<u>196,60,49,716</u>	<u>118,85,09,729</u>

Notes

The Company has availed Buyers Credit from Banks during the year. The outstanding amount as on March 31, 2012 is ₹189,81,00,620/- (Previous Year ₹111,95,47,939/-) is guaranteed by Banks against lien on Fixed Deposits amounting to ₹ 191,21,00,000/- (Previous Year ₹117,82,85,667/-).

NOTE - 7 : TRADE PAYABLES

Due to Micro, Small and Medium Enterprises	—	—
Due to others	297,42,94,526	368,53,07,170
(Refer Note 31)	<u>297,42,94,526</u>	<u>368,53,07,170</u>

NOTE - 8 : OTHER CURRENT LIABILITIES

a. Current maturities of long-term debt [Refer Note 3(a), (b)]	13,40,38,836	92,97,49,655
b. Interest accrued but not due on borrowings	3,08,50,279	19,58,213
c. Unclaimed Dividends (Refer Note below)	2,8,36,299	8,05,266
d. Other Payables		
(i) Statutory Dues	3,27,64,602	2,41,56,405
(ii) Reimbursable expenses	19,48,719	7,07,542
(iii) Advances from Customers	5,46,59,518	3,49,71,272
(iv) Security Deposits from Customers	37,20,269	45,07,269
(v) Creditors for capital expenses (Refer Note 31)	6,528,278	1,30,97,830
(vi) Other Liabilities	3,16,93,019	3,39,52,787
	<u>29,90,39,819</u>	<u>104,39,06,239</u>

Note :

There are no amounts due for payments to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

NOTE - 9 : SHORT TERM PROVISIONS

a. Provision for employee benefits	4,60,567	15,45,627
b. Provision - Others		
(i) For Proposed Equity Dividend	1,23,14,397	1,64,19,195
(ii) For Proposed Preference Dividend	3,27,63,678	3,27,63,678
(iii) For Corporate Tax on Dividend	73,12,791	79,78,692
	<u>5,28,51,433</u>	<u>5,87,07,192</u>

NOTE - 10 : FIXED ASSETS

(Figures in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2011	Additions	Deductions	As on 31.03.2012	Upto 31.03.2011	For the year	Adjustment	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
Tangible Assets										
LAND - FREE HOLD	46,75,59,852	85,75,406	2,30,03,700	45,31,31,558	—	—	—	—	45,31,31,558	46,75,59,852
LAND - LEASEHOLD	3,30,52,902	—	—	3,30,52,902	90,48,941	12,11,676	—	1,02,60,617	2,27,92,285	2,40,03,961
BUILDINGS	107,62,10,700	5,94,22,299	22,50,000	113,33,82,999	24,83,21,192	8,75,07,651	4,42,353	33,53,86,490	79,79,96,509	82,78,89,508
PLANT AND MACHINERY	238,79,50,522	9,55,31,410	2,96,75,665	245,38,06,267	139,19,77,765	15,22,90,607	2,24,03,043	152,18,65,329	93,19,40,938	99,59,72,757
FURNITURE & FIXTURES	5,75,67,401	4,05,529	—	5,79,72,930	2,12,02,582	53,81,123	—	2,65,83,705	3,13,89,225	3,63,64,819
VEHICLES	4,66,80,924	70,87,772	8,37,846	5,29,30,850	1,84,97,944	83,64,255	6,75,871	2,61,86,328	2,67,44,522	2,81,82,980
OFFICE EQUIPMENT	93,78,695	16,17,930	6,05,113	1,03,91,512	58,93,331	10,19,718	5,17,609	63,95,440	39,96,072	34,85,364
JETTY	13,16,88,796	—	—	13,16,88,796	9,02,70,854	41,41,794	—	9,44,12,648	3,72,76,148	4,14,17,942
TOTAL	421,00,89,792	17,26,40,346	5,63,72,324	432,63,57,814	178,52,12,609	25,99,16,824	2,40,38,876	202,10,90,557	230,52,67,257	242,48,77,183
Previous Year	456,88,17,883	9,56,45,250	45,43,73,341	421,00,89,792	157,11,25,824	27,99,05,907	6,58,19,121	178,52,12,610	242,48,77,182	—
Intangible Assets										
COMPUTER SOFTWARE	2,30,000	—	—	2,30,000	15,333	85,867	—	1,01,200	1,28,800	2,14,667
TOTAL	2,30,000	—	—	2,30,000	15,333	85,867	—	1,01,200	1,28,800	2,14,667
Previous Year	2,30,000	—	—	2,30,000	—	15,333	—	15,333	2,14,667	—
TOTAL	421,03,19,792	17,26,40,346	5,63,72,324	432,65,87,814	178,52,27,942	26,00,02,691	2,40,38,876	202,11,91,757	230,53,96,057	242,50,91,850
Previous Year	456,90,47,883	9,56,45,250	45,43,73,341	421,03,19,792	157,11,25,824	27,99,21,240	6,58,19,121	178,52,27,943	242,50,91,849	—

Additions to Building and Plant & Machinery include ₹ 5,34,42,701/- and ₹ 7,93,34,195/- (Previous year deduction of ₹ 27,14,51/- and ₹ 37,97,783/-) respectively towards capitalisation of Foreign Exchange Fluctuation [Refer Note 31(c)].

(Figures in ₹)

NOTE - 11 : NON CURRENT INVESTMENTS

 As at
March 31, 2012

 As at
March 31, 2011
A. In Equity Shares
Quoted- Non Trade Investments

 12,54,675 Equity Shares of ₹10/- each fully paid up of
 National Steel & Agro Industries Ltd.

48,03,500

48,03,500

 9,500 Equity Shares of ₹10/- each fully paid up of
 Ruchi Strips & Alloys Ltd.

1,11,155

1,11,155

 48,35,077 Equity Shares of ₹2/- each fully paid up of
 Ruchi Soya Industries Ltd.

20,21,64,584

20,21,64,584

20,70,79,239

20,70,79,239

Unquoted

 7,00,000 Equity Shares of ₹10/- each fully paid up of
 Ruchi Acroni Industries Ltd.

70,00,000

70,00,000

 1,25,000 Equity Shares of ₹10/- each fully paid up of
 Ruchi Global Ltd.

12,50,000

12,50,000

 29,95,000 Equity Shares of ₹10/- each fully paid up of
 Indian Steel Corporation Ltd.

14,97,55,000

14,97,55,000

 4,08,459 Equity Shares of ₹10/- each fully paid up of
 Arandi Investments Pvt. Ltd.

12,88,52,310

12,88,52,310

28,68,57,310

28,68,57,310

B. In Preference Shares

 2,00,000 6% Redeemable Preference Shares of ₹100/- each
 fully paid up of Ruchi Soya Industries Ltd.

2,00,00,000

2,00,00,000

 34,50,000 6% Redeemable Preference Shares of ₹100/- each
 fully paid up of Ruchi Realty Holdings Ltd.

36,57,00,000

36,57,00,000

38,57,00,000

38,57,00,000

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
C. In Government Securities		
National Savings Certificates	20,000	19,000
	<u>20,000</u>	<u>19,000</u>
	<u>87,96,56,549</u>	<u>87,96,55,549</u>

NOTE :

a. Long term Investments are valued at cost unless otherwise stated		
b. Aggregate amount of Quoted Investments	20,70,79,239	20,70,79,239
Market Value of Quoted Investments	45,77,49,574	53,70,54,394
c. Aggregate amount of Unquoted Investments - In Equity Shares	28,68,57,310	28,68,57,310
In Preference Shares	38,57,00,000	38,57,00,000
In Government Securities	20,000	19,000

NOTE - 12 : LONG-TERM LOANS AND ADVANCES

Unsecured, Considered Good

a. Capital advances	1,12,50,000	1,26,79,957
b. Security Deposits	3,20,02,655	3,99,17,223
c. Balance with Government Authourities	2,45,99,484	2,39,90,867
d. Advance Income Tax and Tax deducted at Source (Net of Provision for taxation of ₹14,09,35,111/- Previous Year ₹21,36,96,828/-)	2,16,43,937	3,20,17,907
	<u>8,94,96,076</u>	<u>10,86,05,954</u>

NOTE - 13 : OTHER NON-CURRENT ASSETS

Unsecured, Considered Good

a. Interest Accrued on Investment	3,746	2,307
b. Unamortised Expenditure (to the extent not written off or adjusted)		
Opening Balance	86,77,574	1,66,93,050
Add: Addition during the year	53,005	30,425
Less: Adjusted/Written off	85,02,314	80,45,901
	<u>2,28,265</u>	<u>86,77,574</u>
c. Foreign Currency Monetary Items Difference Translation Reserve	2,99,62,075	-
	<u>3,01,94,086</u>	<u>86,79,881</u>

NOTE - 14 : INVENTORIES

(As valued and certified by the management)

a) Raw Materials (Including packing material)	62,21,89,840	131,13,85,008
b) Work-in-progress	20,82,36,665	6,09,44,354
c) Finished goods	70,86,57,333	78,52,40,787
d) Stock in trade	3,03,20,672	4,34,09,886
e) Stores, Spares and Consumables	3,91,18,968	10,78,28,895
	<u>160,85,23,478</u>	<u>230,88,08,930</u>

Note: Inventories are valued at lower of cost or net realisable value, except by-products/scrap, which are valued at net realisable value.

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
Broad Categories of Inventory		
Details of Work in Progress		
Oils	20,76,41,265	6,03,06,479
Soaps	5,95,400	6,37,875
	<u>20,82,36,665</u>	<u>6,09,44,354</u>
Details of Finished Goods		
Oils	55,72,21,407	64,09,79,284
Vanaspati	13,04,94,407	12,49,95,800
By Products	2,06,22,329	1,74,91,678
Soaps	3,19,190	2,59,412
Others	—	15,14,613
	<u>70,86,57,333</u>	<u>78,52,40,787</u>
Details of Stock in Trade		
Oils	3,03,20,672	4,34,09,886
	<u>3,03,20,672</u>	<u>4,34,09,886</u>

NOTE - 15 : TRADE RECEIVABLES

Unsecured, considered good

Outstanding for a period exceeding six months from the date they are due for payment	6,28,86,917	19,19,18,952
Other trade receivables	134,94,90,370	96,59,68,576
	<u>141,23,77,287</u>	<u>115,78,87,528</u>

NOTE - 16 : CASH AND BANK BALANCES

Cash and cash equivalents

a. Balances with Banks		
In Current Accounts	13,96,31,782	14,36,97,779
In Deposit Account having maturity less than 3 months [Refer (b)(i)]	175,75,04,331	16,23,348
b. Cash on hand	31,03,580	34,65,994
	<u>190,02,39,693</u>	<u>14,87,87,121</u>

Other Bank Balances

In Deposit Accounts having maturity more than 3 months [Refer (a) and (b) (ii)]	18,39,80,348	121,11,36,355
In Subsidy Deposit Account [Refer (b) (iii)]	3,51,33,100	3,28,83,100
In unclaimed dividend account	28,61,343	10,99,946
	<u>212,22,14,484</u>	<u>139,39,06,522</u>

Note :

(a) Fixed deposit having maturity more than 12 months	55,75,500	1,87,37,964
(b) Earmarked Bank Balance in Deposit Accounts		
(i) Deposit having maturity less than 3 months	175,75,04,331	16,23,348
(ii) Deposit having maturity more than 3 months	18,39,80,348	121,11,11,125
(iii) In Subsidy Deposit Account with Bank	3,51,33,100	3,28,83,100

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 17 : SHORT-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
a. Intercompany Deposits – To Related Parties	5,00,00,000	5,00,00,000
b. Intercompany Deposits – To Others	4,92,50,000	11,24,50,000
c. Advance to Suppliers	4,67,49,904	3,96,05,495
d. Balance with Government Authorities	1,13,00,273	5,32,474
e. Loans and advances to Employees	27,75,914	15,30,008
f. Other Advances Recoverable in Cash or In Kind	14,46,24,584	32,14,89,491
	<u>30,47,00,675</u>	<u>52,56,07,468</u>
NOTE - 18 : OTHER CURRENT ASSETS		
Unsecured, Considered Good		
a. Interest Accrued		
(i) On Fixed Deposits with Banks	6,36,56,943	79,27,395
(ii) On Other Deposits	4,46,604	4,48,911
b. Insurance claim receivable	8,60,948	34,80,914
c. Other Receivable	16,95,53,175	14,41,11,714
	<u>23,45,17,670</u>	<u>15,59,68,934</u>
	For the year 2011-2012	For the year 2010-2011
NOTE - 19 : REVENUE FROM OPERATIONS		
Sales of products (Gross)	2932,85,25,222	2024,45,76,343
Less: Excise duty	<u>4,56,40,120</u>	<u>3,56,38,469</u>
	2928,28,85,102	2020,89,37,874
Sales of Services		
Job Processing charges	2,41,30,738	5,19,17,659
Lease Rental from storage and warehouse	33,13,26,921	30,29,08,316
Sale of Wind Power	7,44,70,641	7,60,52,918
Revenue from operations (Net)	<u>2971,28,13,402</u>	<u>2063,98,16,767</u>
Details of Sales		
Oils	2663,02,68,199	1454,93,57,323
Vanaspati	209,55,88,359	185,15,68,732
By Products	43,94,51,465	34,62,89,274
Soaps	2,26,92,926	2,33,89,875
DOC	—	15,87,87,618
Cotton	—	15,61,45,959
Others	9,48,84,153	312,33,99,093
	<u>2928,28,85,102</u>	<u>2020,89,37,874</u>
NOTE - 20 : OTHER INCOME		
Interest Income	26,13,01,573	12,07,48,888
Dividend Income from Long Term Investments	26,50,039	24,10,039
Profit on Sale of Fixed Assets	—	21,93,787
Foreign Currency Monetary Translation Difference	—	67,20,000
Other Miscellaneous Income	88,26,380	1,34,45,730
	<u>27,27,77,992</u>	<u>14,55,18,444</u>

			For the year 2011-2012	For the year 2010-2011
NOTE - 21 : COST OF MATERIALS CONSUMED				
a) Raw Materials Consumed			1271,65,58,404	974,15,62,358
b) Packing Materials Consumed			52,86,41,790	44,85,81,871
Materials Consumed			1324,52,00,194	1019,01,44,229
(a) Details of Raw Materials Consumed				
Oils			1269,75,26,000	972,42,64,394
Others			1,90,32,404	1,72,97,964
(b) Details of Imported and Indigenous Materials Consumed				
	Amt in ₹	2011-2012 %	Amt in ₹	2010-2011 %
i) Raw materials				
Imported	200,74,28,680	15.79	359,53,35,762	36.91
Indegenous	1070,91,29,724	84.21	614,62,26,596	63.09
ii) Packing Materials				
Imported	11,49,620	0.22	9,04,884	0.20
Indegenous	52,74,92,170	99.78	44,76,76,987	99.80
NOTE - 22 : PURCHASES OF STOCK-IN-TRADE				
Oil			1475,63,25,622	573,46,64,954
Vanaspati			99,55,381	1,05,95,224
Soyabean DOC			—	16,49,00,000
Cotton			—	13,75,17,716
Others			6,66,54,267	269,39,81,590
			1483,29,35,270	874,16,59,484
NOTE - 23 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Opening Stock				
Finished goods			78,52,40,787	589,2,12,918
Work-in-progress			6,09,44,354	11,75,47,494
Stock In Trade			4,34,09,886	1,08,11,954
			88,95,95,027	71,75,72,366
Less: Closing Stock				
Finished goods			70,86,57,333	78,52,40,787
Work-in-progress			20,82,36,665	6,09,44,354
Stock In Trade			3,03,20,672	4,34,09,886
			94,72,14,670	88,95,95,027
Changes in inventories			(5,76,19,643)	(17,20,22,661)
Add : Variation in Excise duty on closing stock			(28,69,174)	23,67,482
			(6,04,88,817)	(16,96,55,179)
NOTE - 24 : EMPLOYEE BENEFITS EXPENSE				
Salary, Wages and Bonus			6,37,43,264	7,80,45,258
Contribution to Provident and Other Funds			53,91,720	31,14,293
Workmen & Staff Welfare expenses			51,44,853	59,96,943
			7,42,79,837	8,71,56,494

	As at March 31, 2012	(Figures in ₹) As at March 31, 2011
NOTE - 25 : FINANCE COSTS		
Interest Expenses	12,16,22,395	11,27,94,001
Other borrowing costs	4,88,57,256	31,14,293
Loss on Foreign Currency Transaction and Translation relating to borrowing	20,92,91,632	6,76,38,139
	<u>37,97,71,283</u>	<u>18,35,46,433</u>
NOTE - 26 : OTHER EXPENSES		
Stores, Spares and Chemical Consumed	9,45,23,653	10,58,39,697
Processing Charges	13,25,924	—
Packing Expenses	3,00,15,666	3,90,54,002
Power and Fuel	13,62,45,408	13,65,59,378
Repairs to Plant and Machinery	3,44,31,713	4,77,04,213
Repairs to Buildings	74,90,719	56,38,654
Repairs to Others	1,01,33,331	1,15,18,412
Manufacturing Expenses	3,62,15,940	1,74,12,944
Rent	2,53,23,395	2,71,27,935
Rates and Taxes excluding taxes on income	9,50,09,092	7,87,68,511
Bank Charges and Commission	4,12,098	1,96,38,449
Insurance	35,88,204	28,10,519
Brokerage and Commission	9,370,405	86,08,723
Postage and Telephone	30,79,965	38,70,203
Freight and Forwarding Charges (Net)	22,70,25,975	21,54,26,834
Oil Handling Expenses	4,66,18,417	4,76,39,856
Net Loss on Foreign Currency Transaction and Translation	17,63,89,431	3,24,57,951
Premium on FCCB	10,22,06,762	4,45,70,380
Donation	2,15,263	5,39,646
Miscellaneous Expenditure Written off	85,02,314	80,45,901
Loss on Sale of Tangible Fixed Assets	9,88,663	21,97,60,884
Ship Operating Expenses	—	10,98,30,083
Miscellaneous Expenses	6,55,33,899	5,75,41,180
	<u>111,46,46,237</u>	<u>124,03,64,355</u>

	2011-2012	2010-2011
27. Contingent Liabilities and commitments (to the extent not provided for)		
A. Contingent liabilities :		
i) Guarantees issued by Bank	33,10,27,740	30,13,35,140
ii) Income Tax/Sales Tax/Customs Duty/ Excise Duty demands disputed in appeals	17,86,90,638	18,28,31,307
B. Commitments :		
i) Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance)	—	11,14,127
28. Trade payables include bills payable for purchase of goods ₹242,12,04,510/- (Previous Year ₹291,04,49,897/-).		
29. a. The Company had issued Zero Coupon Foreign Currency Convertible Bonds (FCCBs) on February 5, 2007. The FCCBs had a maturity of five years and 1 day from the date of issue.		
b. The Holders of the FCCBs had a right to convert the FCCBs into Equity Shares of the Company of ₹1/- each at a conversion price of ₹39.20 per share. During the previous year the company issued 15,80,000 equity shares of ₹1/- each to FCCB holders upon exercise of conversion option, as per terms of issue.		
c. The Premium on redemption attributable to the FCCBs converted during the previous year and provided in the books of account in the earlier year amounting to ₹Nil [Previous Year ₹1,16,14,896/- (net of taxes)] has been reversed and credited to the Profit and Loss Account as an Extraordinary Income.		
d. Premium on FCCB (Refer Note 27) includes Withholding taxes of ₹ 6,03,92,063/- (Previous Year ₹ Nil).		
e. The Company has redeemed the outstanding FCCBs on due date during the year as per the terms of issue of FCCBs.		
30. a. In line with the notification dated March 31, 2009, and subsequently issued on December 29, 2011 by the Ministry of Corporate Affairs amending Accounting Standard AS-11 "Effects of Changes in Foreign Exchange Rates", the Company has chosen to exercise the option under paragraph 46 A inserted in the standard by the notification.		
b. Accordingly the exchange differences on long term monetary items related to Foreign Currency Liabilities and Assets in so far as they are related to acquisition of Fixed Assets has been added / deducted from the cost of the relevant fixed assets and depreciation has been charged in the books of accounts after taking the effect of such changes.		
c. Arising from the above the Company has capitalized an amount of ₹ 13,27,76,896/- (Previous Year deducted an amount of ₹ 65,11,434/- from fixed asset) in fixed assets being the exchange differences on long term monetary items relating to the acquisition of fixed assets.		
d. In respect of exchange differences on long term monetary items related to Foreign Currency Liabilities in so far as they are not related to the acquisition of Fixed Assets, the Company has accounted the exchange differences in Foreign Currency Monetary Item Translation Difference Account and the same is amortised over the period of the loan. Accordingly, an amount of ₹10,33,175/- (Previous Year ₹Nil) has been charged to Statement of Profit and Loss under Loss on Foreign Currency transactions and translation relating to Borrowing and the balance amount of ₹2,99,62,075/- (Previous Year ₹Nil) has been included in Other Non Current Assets as Foreign Currency Monetary Item Translation Difference Account.		
31. The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with Interest paid / payable under this Act have not been given.		
32. In the opinion of Board of Directors, current assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.		
33. EARNING PER SHARE (EPS)	2011-2012	2010-2011
I Basic Earning Per Share		
(a) Net Profit after tax	9,59,62,588	20,95,86,684
(b) Less : Preference Dividend including tax there on	3,80,78,766	38,078,766
(c) Profit available for Equity Shareholders	5,78,83,822	17,15,07,918

(d) Weighted Average Number of Equity Shares	20,52,39,942	20,50,36,490
(e) Nominal Value of Per ordinary Share	1	1
(f) Basic Earning Per Share	0.28	0.84

II Diluted Earning Per Share

(a) Profit available for Equity Shareholders	5,78,83,822	17,15,07,918
(b) Weighted Average Number of Equity Shares	20,52,39,942	20,50,36,490
(c) Add : Dilutive Impact of FCCB's	—	1,24,14,270
(d) No. of Dilutive Equity Shares Outstanding	20,52,39,942	21,74,50,760
(e) Diluted Earning Per Share	0.28	0.79

34. a. The Company has set up Agri-warehousing and Marketing infrastructure at various locations against which company is entitled to back ended subsidy as per the Scheme of Ministry of Agriculture, Govt. of India.
- b. The eligible amount of subsidy is disbursed through NABARD directly to the financing bank, which is kept in separate account by the bank and is disbursed to the company as interest free loan. On payment of last installment of term loan or five years from the date of disbursement of first installment of term loan, whichever is later, the subsidy will be adjusted with the term loan from bank.
- c. However, as per the accounting policy adopted consistently, Company has credited the subsidy to related assets account on receipt of sanction from the competent Authority. Depreciation provided in earlier years is reversed to profit and loss account if subsidy related to assets capitalized in earlier years is sanctioned during the year. During the year depreciation of ₹4,42,353/- (Previous Year ₹22,48,749/-) has been written back and shown in other income.
- d. The amount of final subsidy of ₹3,51,33,100/- (Previous Year ₹3,28,83,100/-) directly received by the Bank and kept under lien for term loan is shown in Other Bank Balance in Note No 17.

35. Disclosure on Financial and Derivative Instruments:

The Company uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions.

- i) Notional amounts of forward contract entered into by the company and outstanding

Particulars	2011-2012				2010-2011		
	Currency	No. of Contracts	Amount in Foreign Currency	Amount in INR	No. of Contracts	Amount in Foreign Currency	Amount in INR
Import of Goods and Buyers Credit Availed	USD	31	8,49,32,104	438,13,03,382	17	4,79,29,114	222,33,95,787

All the above contracts are for hedging purpose and not for speculation

- (ii) Foreign currency exposure which are not hedged as at year end :

Currency	2011-2012		Amount In INR	Currency	2010-2011		Amount In INR
	Payable in Foreign Currency				Payable in Foreign Currency		
USD	1,80,54,975		92,62,20,239	USD	9,74,19,342		436,63,34,893
GBP	500		41,080	—	—		—

36. Miscellaneous Expenses in Note 27 includes ₹Nil (Previous Year ₹56,95,943/-) bad debts written off.

37. (a) Leases -Where company is Lessor

The assets given on operating leases by the Company are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs are recognized immediately in the statement of Profit and Loss. The Company has not given any premises under non cancellable operating lease.

The aggregate amount of Operating lease income recognized in the Statement of Profit and Loss is ₹20,28,85,379/-(Previous Year ₹ 19,88,24,387/-)

(b) Leases - Where company is Lessee

The Company has taken various premises under operating leases with no restrictions and are renewable / cancellable at the option of either parties. There are no sub leases. There are no restrictions imposed by lease arrangements. The company has not recognized any contingent rent as expense in the statement of profit and loss.

The aggregate amount of operating lease payments recognized in the statement of profit and loss is ₹1,01,38,576/-(Previous Year ₹ 86,19,456/-).

38. Disclosure as per AS-15 – EMPLOYEE BENEFITS

A) GRATUITY	2011-2012	2010-2011
Change in obligation during the year ended March 31, 2012		
Obligation at the beginning of the year	37,70,774	29,32,751
Current Service cost	6,37,379	5,06,335
Interest Cost	3,11,089	2,41,952
Actuarial (Gains)/Losses	7,75,295	3,56,831
Benefits payments	(4,87,530)	(2,67,095)
Obligations at the end of the year	50,07,007	37,70,774
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	41,34,106	33,67,429
Expected return on plan assets	3,30,728	2,69,394
Contributions	8,21,241	6,99,664
Benefits paid	(4,87,530)	(2,67,095)
Actuarial Gains/(Losses)	62,724	64,714
Fair value of plan assets at the end of the year	48,61,269	41,34,106
Amount recognised in Balance Sheet		
Present value of defined benefit obligation at the end of the year	50,07,007	37,70,774
Fair value of plan assets at the end of the year	48,61,269	41,34,106
Net (Liability)/Asset recognized in balance sheet	(1,45,738)	3,63,332
Balance Sheet Reconciliation		
Net Liability at the beginning of the year	(3,63,332)	(4,34,678)
Expenses recognized during the year	13,30,311	7,71,010
Contributions during the year	(8,21,241)	(6,99,664)
Net (Liability)/Asset recognized in balance sheet	1,45,738	3,63,332
Amounts recognised in the profit and loss account		
Current service cost	6,37,379	5,06,335
Interest cost	3,11,089	2,41,952
Expected return on plan assets for the year	(3,30,728)	(2,69,394)
Actuarial (Gains)/Losses	7,12,571	(2,92,117)
Expenditure recognized in the profit and loss account	13,30,311	7,71,010
Actual return on plan assets		
Expected return on plan assets for the year	3,30,728	2,69,394
Actuarial Gains/(Losses) on plan assets	62,724	64,714
Actual return on plan assets	3,93,452	3,34,108

Percentage of each category of plan assets to fair value of plan assets

Insurer managed funds	48,61,269	41,34,106
Actuarial assumptions		
Discount Rate Current	8.50%	8.25%
Salary escalation Current	5.00%	5.00%
Rate of return on plan assets Current	8.60%	8.00%

The Company's gratuity funds are managed by the Life Insurance Corporation of India and therefore the composition of the fund assets is not presently ascertained.

B. LEAVE ENCASHMENT

Liability on account of Leave Encashment as at the year end ₹27,09,470/- (Previous Year ₹20,33,616/-).

39. SEGMENT REPORTING

(Figures in ₹)

	Oils	Infrastructure	Others	Unallocable	Total
Net Income from Operations	2920,69,93,780	40,50,13,607	10,08,06,015	—	2971,28,13,402
Previous Year	1679,89,14,317	3,78,801,246	346,21,01,204	—	2063,98,16,767
Segment Result Before Finance Cost & Tax	54,81,18,870	8,51,55,951	1,11,08,641	(12,54,13,789)	51,89,69,673
Previous Year	38,17,96,276	5,78,00,554	5,02,51,091	(3,76,60,846)	45,21,87,075
Finance Cost					37,97,71,283
Previous Year					21,99,88,920
Profit Before Taxes					13,92,44,699
Previous Year					23,21,98,155
Provision for Taxes					
Current Taxes					6,63,63,595
Previous Year					6,96,06,000
For earlier years					64,80,943
Previous Year					(16,77,984)
Deferred Taxes					(2,95,53,189)
Previous Year					(3,97,86,043)
Extraordinary Income (Net of Tax)					—
Previous Year					1,16,14,896
Profit after Taxes					9,59,53,350
Previous Year					21,56,71,078
Segment Assets	346,02,71,929	196,62,83,682	27,83,37,650	239,49,51,228	809,98,44,489
Previous Year	389,21,14,054	197,92,07,048	24,29,59,849	195,87,38,997	807,30,19,948
Segment Liabilities	305,05,11,034	5,32,57,172	2,39,40,918	144,41,593	314,21,50,717
Previous Year	371,50,00,802	4,14,43,321	4,15,65,426	46,78,571	380,26,88,120
Segment Depreciation	5,56,48,408	18,77,36,262	63,708	1,65,54,313	26,00,02,691
Previous Year	6,01,82,949	18,99,67,237	1,81,75,024	115,96,030	27,99,21,240
Cost Incurred to Acquire Segment Fixed Assets	2,27,39,841	14,47,96,318	—	51,04,187	17,26,40,346
Previous Year	3,66,91,496	3,85,51,254	1,89,64,292	—	9,42,07,042
Non Cash Expenditure other than depreciation					
Previous Year					
Secondary Segment - Geographical Segment					
All operating facilities of the Company are located in India					
	Year Ended			Year Ended	
	March 31, 2012			March 31, 2011	
Domestic Revenue	2958,34,79,175			2032,09,83,557	
Export Revenue	12,93,34,227			31,88,33,210	
Total Revenue	2971,28,13,402			2063,98,16,767	
Unallocated Segment Liabilities exclude the following					
Long Term Borrowings	133,69,78,279			63,66,16,012	
Short Term Borrowings	6,79,49,096			4,68,61,790	

Other Current Liabilities	–	–
Deferred Tax Liabilities	(1,40,37,964)	1,55,15,225
Provision for Dividend	450,78,075	4,91,82,873
Corporate Tax on Dividend	73,12,791	79,78,692
Unallocated Segment Assets exclude the following		
Current and Non current Investments	87,96,56,549	87,96,55,549
Advance Tax & TDS	2,16,43,937	3,20,17,907
Foreign Currency Monetary Items Trans	2,99,62,075	–
Other Non Current Assets	2,28,265	86,77,574

40. RELATED PARTY DISCLOSURE

List of Related Parties and Relationships :

a) Key Management Personnel (KMP) & their relative :

Mr. Dinesh Shahra, Director
Mr. Kailash Shahra, Brother of Director
Mr. Suresh Shahra, Brother of Director
Mr. Santosh Shahra, Brother of Director
Mrs. Abha Devi Shahra, Wife of Director
Mr. Sarvesh Shahra, Son of Director
Ms. Amrita Shahra, Daughter of Director
Mr. Ankesh Shahra, Son of Director
Ms. Amisha Shahra, Daughter of Director

b) Entities where Key Management Personnel (KMP) & their relatives have significant influence:

Aaradhya Buildtech Private Limited
Alison Builders & Construction Private Limited
Ankesh Resorts & Hotels Private Limited
Aparaa Buildtech Private Limited
Arav Construction & Developers Private Limited
Archer Construction & Builders Private Limited
Aseem Infracon Private Limited
Avid Constructions Private Limited
Bright Star Buildtech Private Limited
Bright Star Housing Private Limited
Deepti Housing Private Limited
Deepti Properties Private Limited
Delite Ventures Private Limited
Great Eastern Infrastructure Corporation Private Limited
Hightech Realities Private Limited
I Farm Equity Advisors Private Limited
Indivar Wellness Private Limited
Mahadeo Shahra Sukrut Trust
Mahakosh Amusement Private Limited
Mahaodeo Shahra & Sons
Mahaodeo Shahra & Sons Private Limited
Navaagat Infratech Private Limited
Navodit Infracon Private Limited
Neha Resorts & Hotels Private Limited
Neha Securities Private Limited
Nibodh Infradevelopers Private Limited
Nirvana Housing Private Limited
Nischit Infratech Private Limited

RSIL Beneficiary Trust
 Ruchi Markettrade Private Limited
 Ruchi Bio-fuels Private Limited
 Ruchi Corporation Limited
 Ruchi Multitrade Private Limited
 Ruchi Realty Private Limited
 Ruchi Soya Industries Limited
 Sadashay Construction Private Limited
 Saharsh Brokers Private Limited
 Sakushal Buildtech Private Limited
 Sanchit Buildtech Private Limited
 Shahra Brothers Private Limited
 Shahra Estate Private Limited
 Shahra Sons Private Limited
 Shalin Infratech Private Limited
 Sharsha Infracon construction and Developers Private Limited
 Shiva Foundation (Trust)
 Soyumm Marketing Private Limited
 Spectra Realities Private Limited
 Suramya Infratech Private Limited
 Vishal Warehousing Private Limited

Note : Related Party relationship is identified by the Company and is relied upon by the auditors

Transactions	KMP	KMP has significant influence	Relatives of KMP have significant influence
Purchase of Goods	951,17,20,827		18,71,61,500
<i>Previous Year</i>	<i>580,50,37,088</i>		<i>19,38,15,798</i>
Interest Paid	2,46,201		
<i>Previous Year</i>	<i>7,02,982</i>		
Processing Charged Paid	13,25,925		
<i>Previous Year</i>	<i>—</i>		
Sale of Goods	427,76,70,210		
<i>Previous Year</i>	<i>205,13,29,076</i>		
Storage / Warehousing Charges Received	14,26,08,000		
<i>Previous Year</i>	<i>14,51,14,121</i>		
Dividend Received	26,50,039		
<i>Previous Year</i>	<i>24,10,039</i>		
Directors Remuneration	—		
<i>Previous Year</i>	<i>4,94,343</i>		
Directors Sitting Fees	29,000		
<i>Previous Year</i>	<i>18,000</i>		
OUTSTANDING AT YEAR END			
Amount Payable at year end			
Sundry Creditors	10,99,65,397		
<i>Previous Year</i>	<i>29,29,65,587</i>		
Amount Receivable at Year end			
Advance Recoverable			5,00,00,000
<i>Previous Year</i>			<i>7,11,61,621</i>
Investment / Share Application Money	20,21,64,584		
<i>Previous Year</i>	<i>20,21,64,584</i>		

41. The Ministry of Corporate Affairs, Government of India vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively, granted a general exemption from Compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.
42. The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on March 31, 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle. Consequently, the company has re-classified previous year figures to confirm to this year's classification.
43. Significant Accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure "A".

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 14, 2012

Ashish Mehta
Company Secretary

Naveen Gupta
Director
Mumbai, August 14, 2012

Annexure 'A'

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The Accounts have been prepared in accordance with the historical cost convention.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

c) Revenue recognition

- i) The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.
- ii) In respect of Construction activities, the revenue is recognized from the year of completion of project and the sale of Property.

d) Fixed Assets

i) Fixed Assets

Fixed assets are stated at cost of acquisition or construction, net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation (except freehold land).

ii) Capital Expenditure

Assets under erection/installation and advance given for Capital Expenditure are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

iii) Leasehold Land

Cost of Lease hold land is amortized over the period of lease.

e) Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition / disposal, except for low value items costing ₹5,000/- or less are written off fully in the year of purchase.

f) Expenses on issue of Shares

Expenses on issue of shares are charged to profit and loss account.

g) Borrowing cost

Borrowing cost attributable to the acquisition and constructions of assets are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

h) Premium on Foreign Currency Convertible Bonds (FCCBs)

As a prudent accounting policy, premium payable on the FCCBs even though contingent upon non conversion of the FCCBs into Equity Shares, is proportionately charged to the profit and loss account on pro-rata basis over the life of the FCCBs and the corresponding amount is included in the outstanding amount of FCCBs shown under Unsecured Loans. In the event of conversion of FCCBs into Equity Shares the proportionate amount is written back on pro-rata basis.

i) Valuation of inventories

Inventories are valued at lower of cost or net realisable value, except by-product/scrap is valued at net realisable value. Cost of inventory is arrived at by using Moving Average Price Method. Cost of inventory is generally comprises

of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

j) Export Incentive

The Export incentives are accounted for on accrual basis taking into account certainty of realisation and its subsequent utilisation.

k) Government Grant

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge. Government grants in the nature of promotor's contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

l) Investment

Investment are valued at cost of acquisition. In case of long term investments, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary.

Current Investments are stated at lower of cost or market/fair value.

m) Foreign currency transaction

- a) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- b) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit & Loss.
- c) In respect of the Forward Exchange Contracts entered into hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/ liabilities.

n) Employee Benefits

(a) Post-employment benefit plans

- i) Defined Contribution Plan - Contributions to Provident Fund and Family Pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.
- ii) Defined Benefit Plan
 - a. The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Account for the year in which they occur.
 - b. The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carries out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in Profit and Loss Account.

(b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.

o) Provision, Contingent Liabilities and Contingent Asset

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not

recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

p) Taxes on Income

Provision for Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

q) Segment Accounting

Segment Accounting Policies :-

Following accounting policies have been followed by the company for segment reporting.

- (1) The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting system. The various segments identified by the Company comprised as under :

Name of Segment	Comprised of
Oils	- Crude Oils, Refined Oils, Vanaspati
Infrastructure	- Storage, Agri Warehousing, Wind Energy
Other	- Soaps, Construction, Shipping, Trading

By products related to each segment have been included in respective segment.

- (2) Segment revenue, segment results, segment assets and segment liabilities includes respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as un allocable corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as un allocable corporate assets and liabilities respectively. Inter segment revenue are recognised at sale price.

r) Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/ external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

s) Cash Flow Statement

Cash Flows are reported using indirect method, whereby Profit (loss) before extraordinary items and tax is adjusted for the effect of transactions of non cash nature and any deferrals or accruals of the past or future cash receipts or payments. The Cash Flow from operating, investing and financial activities of the Company are segregated based on the available information.

t) Basis of Consolidation

- a)** The Consolidated financial statements relate to Ruchi Infrastructure Limited (the Company) and its subsidiaries and associates as under :

Entity	Basis of Consolidation	Country of Incorporation	% of Shareholding of the Company	% of Share in Profit / Loss
Peninsular Tankers Pvt. Ltd.	Subsidiary	India	100	100
Ruchi Green Energy Pvt Ltd.	Subsidiary	India	60	60
Ruchi Resources Pte. Ltd.	Subsidiary	Singapore	100	100
Mangalore Liquid Impex Pvt. Ltd.	Subsidiary	India	51	51
Union Infrastructure Solutions Pvt. Ltd.	Subsidiary	India	100	100
Narang & Ruchi Developers	Associate	India	90	70
Shubhdeep Habitants LLP	Associate	India	50	30

- b)** The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21(AS-21) and Accounting Standard 23(AS-23) as notified by the Companies (Accounting Standard) Rules, 2006 as applicable on the following basis :

- i) The financial statements of the Company and its subsidiaries have been combined on a line to line basis by adding together like items of assets, liabilities, income and expenses.
- ii) The financial statements of Associates have been consolidated using the Equity method of accounting.
- iii) Intragroup balances, intragroup transactions and resulting unrealized profits/losses have been eliminated in full.
- iv) Minority interest in the net assets of subsidiaries has been separately disclosed in the consolidated financial statements. Minority interest in income for the year has been separately disclosed in the profit and loss account.
- v) Figures pertaining to the subsidiaries, associates and the partnership firm have been reclassified to bring them in line with parent Company's financial statements.
- vi) Union Infrastructure Solutions Pvt. Ltd. has become a subsidiary of the Company during the year. Hence, Previous years figures are not comparable.
- vii) The excess of / shortfall in the cost to the Company of its investment over the Company's portion of equity as at the date of investment is recognized in the consolidated financial statements as goodwill / capital reserve. The resultant goodwill, if any, is charged to the statement of Profit and Loss.
- viii) In case of foreign subsidiaries, revenue items are consolidated at the quarterly average rates prevailing during the year. At the year end, monetary items are translated at rates prevailing at the end of the year.

Statement under section 212(8) relating to subsidiary companies pursuant to General circular No. 2/2011 dated February 8, 2011.

(₹ in lac)

S. no.	Name of the subsidiary company	Relation	Country of incorporation	Date from which it is subsidiary	Reporting currency	Exchange rate (in ₹)	Capital	Reserve	Total Assets (including Investments other than in subsidiary companies)	Total Liabilities (Excluding capital and reserves)	Investments (other than in subsidiary companies)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend
1	Peninsular Tankers Pvt. Ltd.	Subsidiary	India	1/14/2008	INR	—	700	(10.85)	793.04	103.89	—	701.00	55.85	(18.82)	37.03	—
2	Union Infrastructure solutions Pvt. Ltd.	Subsidiary	India	10/24/2011	INR	—	1.00	—	1.50	0.50	—	—	—	—	—	—
3	Ruchi Green Energy Pvt. Ltd.	Subsidiary	India	11/14/2007	INR	—	10.00	(7.17)	34.83	32.00	—	—	(0.86)	—	(0.86)	—
4	Mangalore Liquid Impex Pvt. Ltd.	Subsidiary	India	4/1/2010	INR	—	1.00	3.86	216.82	211.96	—	0.96	0.08	0.03	0.05	—
5	Ruchi Resources Pte. Ltd.	Subsidiary	Singapore	8/17/2007	USD INR	50.86	2.54	(11.22)	—	8.68	—	—	(2.09)	—	(2.09)	—

For and on behalf of the Board of Directors

Dinesh Shahra
Director

Naveen Gupta
Director

Ashish Mehta
Company Secretary

Mumbai, August 14, 2012

ATTENDANCE SLIP

RUCHI INFRASTRUCTURE LIMITED

Registered Office : 615, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

(PLEASE COMPLETE THIS SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL)

TWENTY EIGHTH ANNUAL GENERAL MEETING

at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 on Tuesday, September 25, 2012 at 12.30 p.m.

Member's Name (in capital letters)

Folio No. No. of Shares held.....

Member's Signature

Proxy's Name (in capital letters)

Proxy's Signature

CUT HERE

PROXY

RUCHI INFRASTRUCTURE LIMITED

Registered Office : 615, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

I/We.....of

..... in the district of.....

being a member/s of the above named Company, hereby appoint

of in the district of

or failing him..... of in the district of

or failing him..... of in the district of

as my/our Proxy to attend and vote for me / us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company, to be held on Tuesday, September 25, 2012 and at any adjournment thereof.

My/Our Folio No.is D.P. ID No.*..... & Client ID No.*.....

* Applicable for members holding shares in electronic form.

Signed this day of 2012.

Signature .

affix
₹ 1/-
Revenue
Stamp

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BANK MANDATE PARTICULARS

RUCHI INFRASTRUCTURE LIMITED

Registered Office : 615, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

Dear Shareholders,

The Board of Directors has recommended a dividend of 6% on equity shares for the financial year 2011-2012. Members, holding shares in physical mode, may provide the particulars mentioned below and confirm to avail Electronic Clearance Services (ECS) for payment of dividend declared, if any.

It may be noted that payment of dividend declared, if any to the members holding shares in dematerialised form will be through ECS based on their particulars noted with depository participants. Such members need not to provide the under-mentioned particulars.

Please fill in the following particulars and send to the Company or its Registrar and Share Transfer Agent.

I/We opt for payment of dividend declared, if any for the financial year 2011-2012 by way of electronic credit to my/our bank account, the particulars of which and my/our shareholding are as under :

1. Folio Number :
2. Name & Address :
3. No. of shares held :
4. Name & Address of Bank :
5. MICR Code (9 digits code) :
6. Type and Number of Account :

Member's Signature



Ruchi Infrastructure Limited

615, Tulsiani Chambers, Nariman point, Mumbai 400 021

www.ruchiinfrastructure.com